Featuring Newfoundland's Economic Position and Resources

Largest Circulation
of Any Canadian
Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining
News Department
Page 28

Vol. XXIV 10c a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, MAY 28, 1931 Member of Audit Bureau of Circulations No. 22

The Nation's Business

Wheat Conference Fails, as Expected
Clearing House for Statistics Only Result
World Pool Idea Finally Quashed

END OF THE ROAD FOR WHEAT CONTROL

THERE is no occasion for surprise at the lack of definite accomplishment on the part of the international conference at London of wheat exporting countries as reported in press despatches and in a special cable to The Financial Post from its correspondent at the conference. The outcome was clearly to be foreseen. At no time was there any possibility of the results that were, in some quarters, hoped for, such as definite combination among exporting countries either for the sale of wheat, the regulation of export movement of grain, or for the control of price. Nor were such results desirable, had they been possible. They would have carried a much greater capacity for mischief than for usefulness.

Instead, there emerges from the conference a project for a new international organization, which in the words of the official communiqué is to be:

"A clearing house of information to serve the wheat exporting countries. For this purpose the committee shall be empowered to secure from the states represented full information as to loadings and stocks of wheat and crop prospects and thereby assist in orderly distribution of wheat in the world's markets."

* * *

IT IS hard to be enthusiastic about such a plan, valuable as is all available information for marketing purposes. To begin with, a great deal of valuable information not only about wheat but about other important crops is now collected and published by the International Institute of Agriculture at Rome, and duplication of such work will have no value. Such additional information as is made available will be useful, but no country can give information which it does not possess. Canada has the most complete statistical information of any country in the world with regard to its own wheat position. Every bushel of wheat arriving at an elevator is accounted for and kept track of until it leaves the country, both by quantity and grade, and the position of all wheat stocks, and the shipments of all wheat from the country are made known each week in statistical statements published with commendable rapidity. There is a weakness in the Canadian figures so far as destination of exports is concerned, resulting to some extent from the considerable quantities that are shipped by way of United States routes, and in spite of difficulties, improvements in this respect are possible.

Available statistics of imports into different countries are defective from the Canadian standpoint, inasmuch as Canadian wheat and United States wheat are not distinguished, but the two are lumped together under North America. Correction in this respect would reduce the co-operation of the customs services of importing countries. Canada's governmental system of estimating crops to be harvested, and the reporting of acreage, is unmatched in any other country except the United States. Other countries may possibly improve their statistical services, but publication of such figures as Canada weekly makes available to the trade is highly unlikely, on the part of Russia, the Danubian countries, the Argentine, and even of Australia.

Then statistical information, to be useful, requires to be reasonably complete, and exporting countries can paint only half of the picture. Most importing countries produce more wheat than they import, and any set of information that leaves out of account their production will be decidedly inadequate.

The principal objection to the proposed plan is in the implication that service is intended to the wheat exporting countries only. If a community of interest between producers and consumers is not recognized the lessons of the present wheat situation have been only half learned. As the plan develops it is to be hoped that it will be corrected in this respect. The drawing of a line of demarcation between exporting and importing countries is not going to make it easier to overcome the restrictions of importing countries against the admission of wheat.

* * *

ONE positive service has been performed in disposing, let it be hoped forever, of the wild idea of a single selling agency for all the wheat which moves in international commerce. That is wheat pooling carried to the ultimate degree of absurdity, but such an idea has been in the air ever since the formation of the Canadian wheat pool, and something like it was proclaimed as an ideal for a time by pool leaders. Fears of such a development, result in a control over prices, appear to have had a good deal to do with the development of European resistance to importing wheat. Other ideas almost equally impracticable or impossible, such as universal agreement on acreage reduction, or the allocation of export quotas among different countries have also been disposed of.

During recent years an enormous amount of harm and incalculable loss has been inflicted upon wheat growers because of the idea that, through organization and combination it was possible to control the price of wheat. Markets were destroyed or handed over to competitors as the result of such ideas, and the wheat acreage and wheat production of the world were expanded under their influence. It was a wrong road that was en-

(Continued on page 2, col. 6)

MASSEY-HARRIS CLEANS HOUSE, AWAITING TURN

Cuts Operating Expenses to Bone While Pushing Research

LONG VIEW IS GOOD

Until Farming Pays Better, Company's Chief Problems Are Merchandising and Collections

Massey-Harris common stock, which has fallen from market valuation near 100 to quotations neighboring 4, may yet rise like a phoenix from the ashes. Those who are most intimately aware of the past record and present position of the company considered the stock went too high in the boom days but they also think that a holder would be foolish to sacrifice the stock at present prices. It is not a purchase for others until reviving purchasing power of farmers the world over indicates the probability that farm machinery companies will soon find collections easier and demand brisker.

Dividends on preferred and common stocks cannot be considered the matter of most immediate concern to the Massey-Harris Co. In this time of exceptional depression for farmers the chief manufacturing concern of the new executives of the company is to bring costs of the company to the lowest possible level consistent with efficiency, to maintain manufacturing operations on every type of farm implement and farm machinery of its 1,000 products in which the inventory begins to grow low and to pursue research and invention more actively than ever as to the best ways to apply machinery to farm problems.

Costs Paring Accomplished

B. W. Burtsell, the new vice-president and general manager, is understood to have introduced changes and effected economies both in Canada and abroad which have brought costs down materially. In fact, it is extremely probable that this phase of the reorganization of the operating activities of the company will be entirely completed by August of this year. Manufacturing activities cannot increase until demand increases, but the period of comparative slackness at present is being actively utilized to improve in every way that can be devised the products of the company.

In the present time of stringency the company has its eye not on the requirements for dividends but chiefly on the need of dealing with $12,000,000 in bank advances and other payables and the interest and service charges on a funded debt of $10,395,600. Current manufacturing operations alone could not take care of these large liabilities, but with $29,000,000 in bills and accounts receivable and nearly $22,000,000 in inventories at the end of the last fiscal year on November 30, 1930, a most important part of the future activities of Massey-Harris Co. for the next year or two must be as a collector of accounts and as a merchandiser of goods already manufactured.

Has Millions to Collect

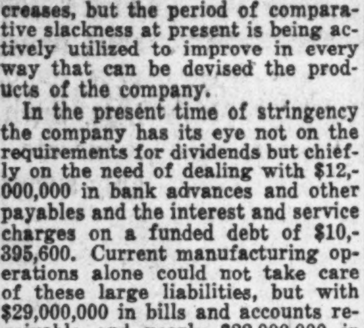
Collections will be slower than in normal years, there will have to be from time to time repossessions which will prevent inventory being reduced as quickly as might otherwise happen, but past history would indicate that sooner or later this situation will be adjusted. Executives feel hopeful for the long view because agriculture is the most essential industry in the world, because they believe that the trend to farm mechanization is only halted at the threshold of what will prove one of the most important eras in agricultural history and because most prices of farm products seem to them fully liquidated. Improving demand would quickly permit the company to reduce its bank loans as it reduced its receivables and its inventories.

Although prices of farm products may be liquidated, it is obviously dangerous to predict when present surpluses of wheat and other products will be reduced to manageable proportions. When that happens it is probable that demand, collections and sales of Massey-Harris Co. would all begin to improve together. It

(Continued on page 2, col. 5)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of May 26	40.9	37.5
Week of May 19	43.9	39.3
Month of May, 1930	74.5	66.4
8 Bank Stocks		
Week of May 26	232	224
Week of May 19	237	230
Month of May, 1930	264	258
10 Public Utilities		
Week of May 26	71	67
Week of May 19	73	69
Month of May, 1930	101	94

Expect Word Shortly On Sherwin Paint Deal

From Our Own Correspondent

MONTREAL.—An official announcement regarding the disposition of the late W. H. Cottingham's share holdings of Sherwin-Williams Co. of Canada is expected shortly. The estate includes a controlling interest in the company.

Negotiations have been carried on for some time past with a view to disposing of this block of shares; it is understood that the du Pont interests have been negotiating and that an agreement is imminent.

The du Pont interests, together with Imperial Chemical Industries Ltd., control Canadian Industries. The latter firm operates an important enamel and varnish division among its many activities; an alliance between du Pont and Sherwin-Williams might have far-reaching effects.

Sherwin-Williams Co. of Canada occupies a leading position in the paint industry in Canada and has a long record of satisfactory earnings. The shares are closely held and have remained steady in limited trading on the Montreal Stock Exchange at around 29.

Newf'dland Future Considered Assured Despite Depression

Newsprint Demand Shows Steady Gain

From Our Own Correspondent

MONTREAL.—Consumption of newsprint in the United States is the factor controlling output of Canadian newsprint. Consequently demand for that product across the line is watched carefully by manufacturers in this country. Records compiled by the News Print Service Bureau show that the per capita consumption of newsprint paper in the United States last year was 58 pounds. This compares with 62 pounds in the preceding year.

Though a decline took place last year, the trend of consumption in United States shows a steady increase from year to year. The per capita consumption increased in the forty-year period from 1860 to 1900 from 4 to 16 pounds. From 1900 to 1910 there was a gain of 9 pounds from 16 to 25 pounds. The next decade showed an advance of 17 pounds to 42 pounds per capita, while in the ten-year period just finished, the per capita consumption increased a further 16 pounds.

Hamilton Tram Option Expires End of Month

From Our Own Correspondent

MONTREAL.—Option to purchase the Hamilton Street Railway system from the Ontario Hydro-Electric Power Commission expires on June 1 and Montreal interests have not yet indicated their intentions of taking it up or letting it lapse.

It will be recalled that a Montreal group secured an option several months ago, which was later renewed until the beginning of next month Interest is still shown in the property, but whether the group will go ahead with its plans and take up the option or seek another extension is not known.

Hamilton Street Railway system formed part of the old Dominion Power and Transmission Co., which was sold to the Ontario Hydro Commission. An opportunity was given the city of purchasing the system, but the council downed the proposal. Later an option was given to the Montreal group at a price reported to be over $4,000,000, as compared with the offer of $2,500,000 made to the city.

National Car Earn Dividends

Earnings of National Steel Car Corp., while lower this year, are expected to be sufficient to cover dividends on the 130,000 shares of capital stock. The company will close its fiscal year on June 30; the financial statement should be available in July.

In the year ended June 30, 1930, National Steel Car reported earnings of $1,803,791. After all deductions there remained a sum equal to $8.83 a share on the common. A substantial volume of business in addition to new contracts, was carried forward into the current year but the majority of large equipment orders have now been completed.

Assets Awaiting Development Are Important to Colony

MONEY IS ARRANGED

Island Dominion to Make Banking Arrangements for Funds Expected from Recent Tender Call

No tenders were received by the Newfoundland Government for an issue of $8,000,000 5 per cent bonds to mature June 30, 1956. The bonds were to be payable in Montreal, New York City and London, Eng., and in the normal course of events bids would have been entered by international syndicates representing the three countries, although previous to the war the Dominions financing was all arranged in England. Bids were asked for May 22. The bonds were to be exempt from all present and future Newfoundland taxes.

The last sale of bonds made by the Newfoundland Government was an issue of $2,500,000 5 per cent bonds, due 1955, sold at 99.318, a cost basis of 5.05 per cent in July, 1930. The successful syndicate consisted of Dillon, Read & Co., Lee, Higginson & Co., Dominion Securities Corp., Bank of Montreal and Wood, Gundy & Co. Four bids were entered for that issue and the price at which the bonds were sold was stated to be the highest ever obtained by the Dominion. Another $2,500,000 of the same issue was subscribed within the Dominion, the largest portion being exchanged for 4 per cent debentures which matured June 30, 1930.

Purposes of Loan

The chief market for Newfoundland bonds is in New York and London and little demand is found in Canada. On this account very few Canadian investment banking houses are interested in Newfoundland issues. Of the total of $8,000,000, the first $3,000,000 was for the repayment of loans. Deficit on railway and public accounts were to be funded to the extent of $2,750,000, while $1,250,000 was to be used for general purposes of the Dominion, including the cost of raising the loan, and $1,000,000 was to be used as a loan to the municipal council of St. John's, Newfoundland.

Following the failure to receive bids, exaggerated press despatches from Newfoundland at the beginning of the week carried stories to the effect that the Government's finances were in a precarious position; banks were refusing further help in meeting current obligations; the Government was being forced to sell Labrador to Canada, to a European nation, etc.

While conditions in Newfoundland have been affected by the depression in the principal markets for its products, the state of affairs is not as bad as reported, according to a survey of conditions in Newfoundland made by The Financial Post within the past few weeks.

Paying Current Cheques

In its position as government bankers, the Bank of Montreal is kept fully aware of new developments in Newfoundland. Upon being questioned as to the current despatches, the head office of the Bank of Montreal drew attention to an article carried in the Tuesday morning St. John's papers to the following effect: "Rumors current around the city that the Bank of Montreal is dishonoring government cheques is entirely without foundation. The bank is co-operating

(Continued on page 3, col. 5)

CONSUMERS' GAS PRESENT PRICE NEAR 1931 HIGH

Standard Investment Issue Impervious to Market Slump

EXTENDING SERVICES

About 25 Miles of Mains Being Built This Year; Port Credit Votes on June 6

One Canadian stock which is selling at or near the high point of the year is that of Consumers' Gas Co. of Toronto. At 185 the yield on this standard investment issue is 5.3 per cent. The peak price for the year was 187 on April 21. The low so far this year was 180¾ on January 3.

Consumers' Gas stock is more likely to fluctuate with bond prices than stocks because of the fact that its charter assures and limits the dividend to the present rate of 10 per cent, which has been maintained without interruption since 1874. Formerly, the stock occasionally sold above 200, in anticipation of rights to buy additional stock on a favorable basis. But two years ago the Ontario government decreed that new capital would have to be raised by offering stock by tender or auction, and not by allotment, and the result has been to stabilize the issue on the basis strictly of yield and security.

Yield is 5.3 Per Cent

At current prices the yield is approximately 5.3 per cent, which compares favorably with high-grade utility and industrial bonds. Except as interest rates decline, there should be no immediate further enhancement of market value so long as the Ontario government ruling obtains.

The company was originally incorporated by special act in 1848. There have been various amendments, including increases in the authorized capital. The principal provisions of the charter include a stipulation that surpluses created after operating expenses, provision for plant renewal and maintenance, maintenance of a special reserve of $1,000,000 and 10 per cent dividends, shall be applied to reductions in the price of gas to the public. There was a reduction under this scheme in the current year. Rates may be increased if necessary to maintain the dividend.

Has 40,000 Shareholders

Consumers' Gas Co. has more than 4,000 shareholders, most of them residents of the area it serves.

The real reason for the high regard in which the company's stock is held by the investing public is that the company has not relied on the provisions of its charter to safeguard the dividend. The company has been excellently managed and has recognized that, while it has a monopoly on the distribution of gas in its territory, it has competition in other fuels and, consequently, must be efficiently and economically operated if its sound position is to be maintained.

While Consumers' Gas Co. was created primarily to make and sell

(Continued on page 2, col. 4)

Victoria May Get Lower Electric Rates

From Our Own Correspondent

VANCOUVER.—A. T. Goward, vice-president of the B. C. Electric Railway (B. C. Power Corp.) announces that his company is looking into the advisability of instituting a new domestic rate covering electric energy service in Victoria. This rate, when adopted, will allow consumers after using a certain amount of current at the existing rate, to enjoy a second step in the schedule, which would enable them to use all current in excess at a much lower rate and without the necessity of having a separate meter for the use of power consuming devices.

The new schedules will be in effect by about September 1, according to Mr. Goward. On last year's figures the saving to consumers, based on information already available, would be a little over $50,000, he says.

Wheat Conference Fails; Say Canada Made Mistake When She Convened It

Special Cable to The Financial Post
From Our Own Correspondent

LONDON, Eng.—The feature of the International Wheat Conference, just closed at Canada House, was the conflict apparent between the United States and Russia. The United States adopted a most complacent attitude, pointing out that it was the only country that had done anything to reduce wheat acreage and suggesting that the other nations follow suit. Russia made it clear that for "domestic reasons" (sic!) a reduction of wheat acreage was impossible. Russia also made it clear that it resented the American attitude and also the treatment accorded the Soviet in the British press.

The conference was a pure waste of time. The decision to set up an international statistical clearing house is purely whitewash to hide the failure of the conference. It means nothing but duplication of statistical work done by other agencies.

The conference outcome is but another nail in the fool's coffin of marketing theory. Canada's position in wheat growing and wheat exporting demands that she should have the freest opportunity to sell as much wheat as possible in foreign markets and on her own terms. This, it is felt here, should have been recognized by Canada in the first place and the feeling is that Canada made a serious mistake in ever having become involved in the calling of this conference.

CAN. POWER NEW SCHEME READY SOON

Committee Expected to Make Statement This Week

From Our Own Correspondent

MONTREAL.—Expectations are that a statement will be issued toward the end of this week by the committee working upon the reorganization of Canada Power & Paper Corp., the largest newsprint manufacturer in the Dominion.

Various guesses have been hazarded as to what the committee will say in its first official pronouncement. In some quarters it is expected that a plan of reorganization will be presented. The short time which the committee has been working makes such a move doubtful.

With the falling off in demand for newsprint and the limitation of operation over a year ago, indications pointed to Canada Power & Paper working into an unsatisfactory position. Subsequent developments confirmed this view and before it was officially stated that a reorganization would have to be made, steps had been taken to make a survey of the properties and financial position of the organization.

Committee Takes Hold

To this end a protective committee for Security Holders of Canada Power & Paper Corp. was announced last March. Heading this committee is Hon. Charles Dunning, and representatives of various interests who sponsored the financing of the constituent companies. Wood, Gundy & Co., was not represented on the board, as the head of that house—J. H. Gundy—was also president of Canada Power & Paper Corp.

Though this committee is given the title of a "protective committee for security holders," no meeting of the shareholders or bondholders of the parent or subsidiary companies was ever held duly to elect these representatives. Nor has the committee ever made a public statement as to the interests primarily responsible for bringing the committee into being.

Pass Up Obligations

A few months back it was officially intimated that the earning power of the company did not warrant continued payment on its debentures or the dividends and interest on the underlying securities of subsidiary companies Since that time a number of the subsidiaries have officially passed preferred dividends or bond interest.

At the end of last year Canada Power & Paper has outstanding $35,466,700 of collateral trust debentures. Ranking ahead of this issue were the securities of the subsidiaries, which had a total par value of $91,295,846, of which $59,295,846 represented bonds and the balance preferred stocks. Also there were contingent liabilities of roughly $5,000,000, and loans totalling over $15,000,000.

Earnings Too Small

The drop in mill operations to between 50 and 60 per cent of capacity last year, made it impossible for the company to fully cover dividend and bond interest requirements, without allowance for depreciation which in 1929 totalled $2,521,878.

Since that time the situation has

(Continued on page 3, col. 4)

Retailer is Key to Prosperity

Companies That Curtail Contacts With Ultimate Distributors Set Up Barriers to Business Recovery

ECONOMY is the watchword in business today. With a smaller volume of business being done it is essential to make all feasible reductions in the expenses of business to the dual end of restoring equilibrium to the business structure and of eliminating red ink figures. Proper economies, well directed, will help to restore business. But in the psychology of expense-cutting lurk hidden dangers. Expense-cutting need not entail the curtailment of normal business activity that is essential to the general improvement of trade.

The volume of business being done is much below the total of 1928 and 1929. Expressed in dollars, the decline is very great for the prices of all commodities have fallen. Expressed in actual volume of goods moving into consumption the decline is much less. A very large volume of business is still being done through the regular channels of trade. Some of the more aggressive stores report that the physical volume of their turnover is higher than ever. This shows that a large volume of merchandise is moving into consumption and proves the value of extra sales effort to overcome the effect of depressed business.

Looking at monthly profit and loss sheets is apt to distort the picture for executives. Because profits have shown large declines, business men are apt to assume that the volume of business being done has shown similar decline. Actually the decline in volume of business, in many lines, is not more than ten or fifteen per cent. It would not take a very large increase in volume to eliminate red ink figures from profit and loss statements.

* * *

WHAT are business men doing to get this larger turnover; to restore bookkeeping to the right side of the ledger?

The ultimate contact with the consumer is through the retail merchant. To stimulate business and restore prosperity it is essential that the most effective use be made of the distribution machinery provided by the retail stores of Canada. Few manufacturers know their ultimate consumers. But retailers do. They are thoroughly familiar with conditions in their own localities and with the best methods of reaching the general public—the ultimate buyers—in their communities.

In busy times, manufacturers are aggressive and enthusiastic in pointing out to these retail distributors ways and means of increasing their sales. Co-operation between manufacturers, wholesale distributors and retailers, to the end of increasing merchandising efficiency, is one of the factors that has built phenomenal prosperity on this continent. It has built up a large public consuming power that is only fractionally smaller than it was in the best business years of our history. This was recognized in the comprehensive survey of distribution methods in the United States and in Europe presented to the recent International Chamber of Commerce meeting in Washington. This report clearly showed that one reason consumption is so high on this continent is the larger efficiency of our retailers. The report showed also that this larger efficiency is due in no small measure to the educational work done by manufacturers among retail merchants. The statement is made that "Within the last ten years the better and perhaps the average independent retail store has become more efficient . . . . Manufacturers, wholesalers and trade associations have been aiding independent retailers in the technique of advertising and salesmanship and educating them as to the factors essential to make

(Continued on page 2, col. 4)

DONNACONA BOARD MILL SALES GAIN

April Shipments Ahead of Any Month Since Starting

From Our Own Correspondent

MONTREAL.—April shipments from the new wallboard plant of Donnacona Paper Co., controlled by Price Bros., exceeded those for any month since the new unit came into production twelve months ago.

Present indications are that May shipments will outstrip the April record.

In view of the good reception accorded to the products of the new division, expectations are that the financial statement of Donnacona for the current year will make better reading than that for 1930.

Low Earnings in 1930

Last year was a difficult one for the company, earnings being only sufficient to cover bond and debenture interest, without allowance for depreciation which totalled $201,957 in the preceding year. While the new wallboard plant was in operation, sufficient time had not elapsed to permit the company to show full earnings power from this unit. Accordingly earnings this year are expected to more closely reflect operations of the insulating board mill.

The new board mill which was completed last year was built as the first step in a programme of wider diversification of products and utilization of mill waste. As such materials as groundwood and sulphite screening enter largely into the manufacture of insulating board, it is considered that the new plant will provide an efficient use for this class of material.

Widen Board Market

According to M. M. Harrison, general sales manager of the building products division of Price Bros. Sales Corp., arrangements have been entered into with Gypsum, Lime & Alabastine Ltd., whereby the latter will distribute board through its extensive dealer organization. The insulating board will be made in Donnacona's own mill and Gypsum, Lime will market this product under their own brand name.

Price Bros. Sales Corp. will continue to market Donnacona insulating board through its own sales organization.

The new arrangement should prove mutually advantageous to both companies. In the case of Gypsum, Lime and Alabastine, the insulating board rounds out a long line of building products which are well established in the Canadian market. In the case of Price Bros. Sales Corp. it provides another satisfactory outlet for the product of the board mill.

Expect Greater Demand

Considering the fact that April and May sales are prior to giving effect to the new arrangement with Gypsum, Lime & Alabastine, the outlook for the balance of the year is regarded as satisfactory. The growing appreciation of the need of

(Continued on page 3, col. 4)

Eastern Dairies Earnings Higher For Past Period

From Our Own Correspondent

MONTREAL.—Earnings of Eastern Dairies in the fiscal year ended March 31 are reported to have shown an improvement over those of the previous period; it is said that gains were made in every city in which the company operates. Montreal, Ottawa, Toronto, Hamilton and Winnipeg are among the larger centres served by the company.

The financial statement for last year will be available shortly. In the year ended March 31, 1930, earnings totalled $724,987 which, after deductions, was equal to $1.16 a share on the common stock before income tax. An initial quarterly dividend of 25 cents a share was paid in November on the common stock.

Building Hamilton Plant

Good progress is being made with the company's new plant in Hamilton and completion is anticipated in August. It will comprise a complete dairy unit and will serve the Hamilton area hitherto supplied by products shipped from Toronto.

Additional working capital which might be used in plant construction was raised in March when the company secured $518,000 through the sale of stock to Nesbitt Thomson and Co. The deal involved the sale of 25,901 shares at $22.50 a share.

PAGE-HERSEY'S DIVIDEND RATE SEEMS SECURE

$2.50 Required For Half Year Earned By End of April

NEW MILL IS READY

Authoritative Statement as to Position Follows Decline in Stock Where Yield 7 Per Cent

The $5 dividend on the stock of Page-Hersey Tubes, Ltd., is being comfortably earned, it is stated from a quasi official source.

Sales of tubular products for the first four months of the current year were less than in the corresponding period of last year. It is pointed out that the comparison is with a period of activity for the company.

It is stated that earnings for the four months to the end of April were approximately $2.50, which covers the dividend to the end of June.

New Plant Ready

It is stated that new plant at Welland will be in operation soon. It is said that operations are awaiting receipt of supplies. It is said that there is considerable business booked ahead.

Holders of the stock have been somewhat concerned in recent weeks because of the decline to 71, contrasted with the year's high of 92¾ achieved in late February. The opening price for this year was 82 and from then until February 26 the climb had been a steady one.

At current prices the stock yields 7 per cent. There has been a decline of ten points in a month and this has caused investors to inquire as to whether the dividend was safe. The statement from an authoritative source is reassuring as to actual earnings so far this year.

Dividend Earned Twice

Page-Hersey earnings for the year ended December 31, 1930, were $10.33 per share, or more than twice the dividend requirement. While this was a decline from $11.29 for 1929 and $11.30 for 1928, there was some discussion as to the possibility of the dividend being increased. But in view of the fact that the company was building a new plant to make boiler tubes and seamless well casing, a new product for this country, it has been evident that a higher return would await a recovery in business.

Up to the end of 1930, the company has invested $731,304 in new plant and it was stated that the project was about half complete.

The company ended 1930 with working capital of $5,949,737, the ratio of current assets to current liabilities being 13.33 to 1. Of current assets totalling $6,432,394, $892,229 was in cash and call loans and $2,477,282 in marketable bonds.

Market Record Excellent

Page-Hersey common stock came on the market first in 1926 at the opening price of 49¾. Its advance was steady, the peak price of 141 being achieved in 1929. In 1930 the high was 105 and the low 75½. The common dividend $3 in 1927 and 1928, $4 in 1929 and $5 thereafter.

The common stock is now the only security of the company except for $24,400 of preferred stock which had not been converted up to the end of

(Continued on page 2, col. 4)

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Avalon 'Phone	17, 26	Gen. Stl. Wares	9, 13
Abitibi P. & P.	9	Geo. Weston	26
Asbestos Corp.	13	Int. Paper	13
Avalon Telephone	3	Int. Fibre Board	13
Andian National	3	Int. Petroleum	13
Brooks St. Motors	11	Int. Utilities	8
B.C. Power	9	King Ed. Htl.	11
Barcelona	3	London Int. Trust	4
Brazilian	3	Lake o' Woods	11
Bk. of Montreal	8	Loblaw	5
Consumers' Gas	1	Massey-Harris	1
Can. Gen. Elec.	11	Montreal Power	9
Can. Perm. Mtge.	9	N.S. Light & Pwr.	4
Can. Hyd.-Elec.	4, 9	National Car	1
C. P. R.	4, 9	Nfld. Light & Pwr.	18
Can. Nor. Power	9	Ogilvie Flour	9
Conduits	9	Penmans	9
Canada Cement	9	Power Corp.	9
Can. Power	1	Port Alfred P.&P.	13
Consol. Industries	3	Provincial Bank	5
Clean-I-Terias	26	Price Bros.	9
Can. West. 'Phone	5	Page-Hersey	1
Cuban Can. Sugar	2	Quebec Power	9
Detroit Int. Bridge	11	Riverside Iron	9
Donnacona Paper	1, 9	Seaman Kent	5
Dominion Hoist	4	Standard Chem.	26
Dom. Atlantic Ins.	18	Sherwin-Williams	1
Distillers Corp.	4	Shawinigan W.&P.	9
D. Steel & Coal	18, 20	St. Law. Corp.	9
English Electric	9	Trinidad Electric	4
Eastern Dairies	1	Twin City	5
Eastern Dairies	9	United Towns Elec.	20
Famous Players	9	Western Savings	9
Fraser Cos.	9	Western Savings	5
Ford Motor	11	West. Can. Hydro	5

MINES AND OILS

Alta. Pac. Cons.	26	McIntyre	28
Abana	28	Mayland	2
		Nipissing	28
Arno	26	Nico-Vanadium	28
Buchans	20	Nordon	28
B. C. Silver	28	Okalta	28
Castle-Trethewey	28	Parco Oil	28
Dome Mine	28	Sylvanite	28
Howey	28	Siscoe	28
Kirkland Lake	28	Sherritt-Gordon	28
Merland Oil	28	Selukwe Gold	28

QUOTATIONS

Bonds	10	Mines	11
Grain	10	Stocks	10

REGULAR DEPARTMENTS

Answers to Enquiries	9
Business	7
Banking	25
Editorial	6
Insurance	25
Mining	28
Pulp and Paper	18
Utilities, Transportation	4

SPECIAL FEATURES

Newfoundland's Economic Position	15-24
Power Boating	12

UPWARD TREND OF ADVERTISING HOLDS PROMISE

Recent Returns Indicate Advertisers Doing Better

From Our Own Correspondent

MONTREAL.—Despite a seasonal dip in the newspaper advertising linage curve for April last as compared with the same month a year ago, the upward tendency which has marked the year's record to date continues, according to Editor and Publisher.

The apparent change in April from the sharp rise in March figures, both compared with last year's record, is due almost wholly to the early incidence of the 1931 Easter season, against a late Easter in 1930. Taking March and April as a unit for both years, the continued upward trend is evidenced by the following percentage comparisons: January, 1931, was 13.6 per cent below January, 1930, in total advertising; February, 1931, was 11.2 per cent below February, 1930, in total advertising; March-April, 1931, was 10.5 per cent below March-April, 1930, in total advertising.

Steady Gain Shown

By comparison of this year's figures to date with those of 1929, the advancing character of the present advertising movement is even more marked. There has been a slow but steady gain since January in total advertising, as follows: January, 1931, was 18.8 per cent under January, 1929; February, 1931, was 17.7 per cent under February, 1929; March, 1931, was 17.8 per cent under March, 1929; April, 1931, was 16.4 per cent under April, 1929.

The major linage classifications further demonstrate the gaining tendency.

Store Sales Higher

Confirmation of the upward linage movement is seen in the volume of department store sales reported by the Federal Reserve Board for April and for the first four months of the year. Preliminary figures show an increase from March to April of about 9 per cent, in spite of the early Easter date. The Federal Reserve index, which makes allowance for seasonal changes, including that of the Easter date, was 105 in April, compared with 97 in March and 98 in February.

In comparison with a year ago, the aggregate value of sales in April, 1931, was 9 per cent smaller. After allowance for the effect on sales of the shifting date of Easter, the decline from a year ago approximated 2 per cent in April, compared with 10 per cent in March.

Retail advertising reached its low point, as compared with 1929, in March, with a loss of 15.2 per cent. Retail linage in April was only 8.5 per cent under 1929. Easter in 1929 was in March.

Various Divisions Gain

General advertising reached its low point against 1929 in December, 1930, when its recession was 24.8 per cent. In April, 1931, general advertising was 13.2 per cent below its April, 1929, record.

Automotive advertising, the bad boy of the linage family, made its worst 1929-30-31 record in January, 1931, when it was 50 per cent below the January, 1929, high. In April, it improved to 45 per cent behind the April, 1929, mark.

Financial advertising continues to reflect the stock market depression, its April, 1931, loss of 34 per cent against April, 1929, marking its lowest point to date.

Classified advertising also continues to mirror employment depression, its April loss against 1929 of 23.6 per cent being but slightly less than its March low of 24.8 per cent.

Precede General Business

The economic school which holds that a trend in daily newspaper linage usually precede by 60 to 90 days a similar trend in general business may find in these comparisons warrant for the belief that there will be no further downward movements in business in the present cycle, and that the long-promised revival may be definitely under way by the end of the summer.

Recent stock market developments and the pessimistic temper of the financial world as evidenced by the decline in financial advertising may presage further "liquidation" in Wall Street. That admitted, the reports of recent retail sales and of activity in certain vigorously advertised lines of nationally-sold goods indicate that the buying public has money for new goods, if not for bonds.

Cumulative Totals Improve

The cumulative totals for the period January 1—April 30, 1931—1930, prepared by Media Records, Inc., for 339 newspapers in 81 cities, show that total advertising this year is 11.5 per cent below the record for 1930, while the loss in total for April, 1931, against April, 1930, is 12.6 per cent. A large part of the linage loss continues to appear in the Sunday totals, but a slight improvement has been noted in the last two months.

For the first four months of 1931, retail advertising totalled 366,972,048 lines, a loss of 23,233,276 lines, or 6.1 per cent against last year. General advertising totalled 124,274,946 lines, a loss of 18,028,028 lines, or 12.6 per cent. Automotive advertising totalled 37,364,169 lines, a loss of 20,353,646 lines, or 35.2 per cent. Financial advertising totalled 24,172,143 lines, a loss of 7,426,082 lines or 23.5 per cent. Total display advertising aggregated 552,981,306 lines, a loss of 70,041,032 lines, or 11.2 per cent. Classified linage totalled 105,171,279 lines, a loss of 15,887,774 lines, or 13.1 per cent. Legal advertising totalled 10,645,986 lines, a loss of 318,902 lines, or 2.9 per cent. All advertising totalled 668,798,571 lines, a loss of 86,247,708 lines, or 11.5 per cent.

Cuban Canadian Shares Withdrawn from Trading

From Our Own Correspondent

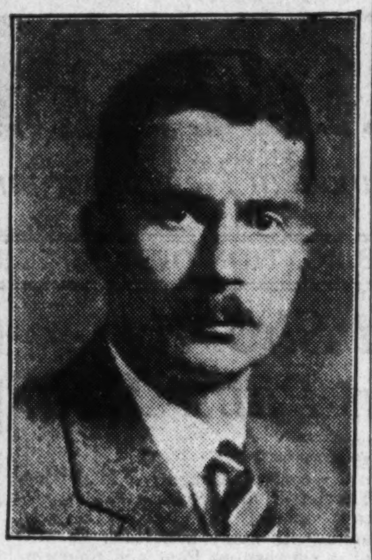
MONTREAL. — Shares of Cuban Canadian Sugar Co. have been withdrawn from trading on the Montreal Stock Exchange. There is $5,000,000 of common stock and $4,000,000 of 8 per cent preferred stock issued, in addition to $1,500,000 of 6 per cent bonds and $1,000,000 or 6 per cent general mortgage bonds.

The last available quotations on the preferred and common were around 2 for the preferred and ¾ for the common.

The company has published no financial statement since 1927; at the end of that year there was a total deficit of $959,867.

New Directors Elected to Eastern Trust Board

GEO. HENDERSON.



JOHN BASSETT.

At a recent meeting, Geo. Henderson and John Bassett were elected to the board of Eastern Trust Co. Mr. Henderson is known throughout the Dominion as head of Brandram-Henderson, paint manufacturers, while Mr. Bassett is vice-president of the Gazette Printing Co., of Montreal.

RETAILER IS KEY TO PROSPERITY

(Continued from page 1)

them profitable and efficient outlets. The efficient, independent retailer appears to be able to hold his place in competition with other types of retail agencies. This is especially true when his effort is co-ordinated with that of the manufacturer and the wholesaler so that production and supply accord more closely with the flow of goods to the consumer."

* * *

IT IS co-ordination of effort between manufacturer and retailer that has made prosperity in the past. The same thing will make prosperity in the future, for the retailer, being the man who finally sells to the consumer, remains the key to prosperity.

Despite this fact many leading business firms have curtailed their promotion and sales effort among retailers. Some have reduced that portion of their advertising directed to retail merchants by 50 per cent or more and yet have expected retailers to remain interested in pushing their goods. They have curtailed their other contacts with retailers. By so doing they have, in effect, said to the retailers: "Business is at a standstill. We have taken to our cyclone cellars until the disturbance is over and you had better do the same thing." Could any policy be better calculated to make depression permanent?

* * *

SINCE the first period of depression in 1921 many scores of mergers have taken place. These consolidations have set up large research and merchandising departments well able to carry on merchandising development work. Now, in this period of economy, efforts directed to increased turnover by retailer contact and education have in many cases been curtailed by the merger companies. Better leadership might have been expected from the large corporations that are the product of consolidation.

Merchants will respond to constructive help and suggestions and will push the wares of those manufacturers who show a spirit of fight, who aggressively continue their merchandising efforts when business is smaller in volume and harder to get. Some manufacturers are today doing more business than ever before; others find their business reduced by a rather small percentage. On the other hand, some firms who are allowing their retail contacts to weaken are not only losing business but will suffer in the next period of good business.

* * *

A STRIKING example of what can be done by work among retail merchants is shown by the experience of a firm in Toronto that has run along quietly, doing a fair business for 30 years, never advertising and doing little promotion work among the trade. When the slump came, this firm met it by taking what was for them the most radical step in its long history; namely, advertising to the retail trade in its field.

Instead of assuming that business was not to be had, this firm showed its customers how they could work up business among their customers—the public. As a result its business is showing volume increases over a year ago. Probably it acquired some of the business that other firms were content to let slip when they curtailed promotion work among the retailers, but, in addition, it created new business.

CONSUMERS' GAS PRESENT PRICE NEAR 1931 HIGH

(Continued from page 1)

illuminating gas it has been, like all other gas companies, superceded in this field by electricity. Also, in more recent years, it has encountered severe competition in the field of household fuel. Although electric rates for domestic service are extremely low in Toronto, Consumers' Gas Co. has been able to show steady gains in gross consumption and number of customers. From 1910 to the end of 1930, the number of meters in use increased from 26,982 to 168,803.

Extending Mains This Year

In the current year, Consumers' Gas Co. is extending its mains in several directions and will add probably 25 miles of pipe during the construction season. The Ontario government has granted permission to extend the service into additional Toronto suburbs—to Port Credit and Toronto township on the West and to Pickering on the east.

Work is now proceeding on lines which will make gas available to Lansing, north of the city, and to Cedarvale, a suburb north of Bathurst Street, eastward along Kingston Road as far as the junction of St. Clair avenue, and to Port Credit, assuming that ratepayers of that village grant the franchise required at the special election on June 6. On the same day, Toronto township voters also will decide the question of a franchise, and further extensions in that area are contemplated.

PAGE-HERSEY'S DIVIDEND RATE SEEMS SECURE

(Continued from page 1)

last year. This preferred, to the amount of $[illegible],000,000, was offered in 1926 at $100 and accrued dividend. It was convertible into common on the basis of two shares of common for one share of preferred. Most of the conversions took place in 1929 when the dividend rate was increased to $4 per share, or the equivalent of $8 on the $7 preferred shares.

In the last five years, when the company has been showing rapidly improving earnings, it also has retired $1,000,000 of first mortgage bonds which were issued in 1926. The last of these bonds disappeared from the balance sheet in 1928. There are 174,132 shares outstanding. There would be an additional 488 shares if the remaining preferred shares were converted into common. Book value of the common share as at December 31 last was $55.38 per share, an increase from $49.69 at the end of the previous year.

MASSEY-HARRIS CLEANS HOUSE, AWAITING TURN

(Continued from page 1)

must be admitted that collection of $29,000,000 in the present state of farming the world over naturally is a matter of some difficulty. There has to be a certain amount of accommodation given to those whose reputation and character justify it and there has to be a number of repossessions of implements and machinery at times when payment seems doubtful. The company, however, expects to work its way clear as it has done in previous periods when farm income has been low.

Past Merging and Moving

As the company owns nine plants manufacturing altogether more than 1,000 types of farm implements and machinery, the question of utilizing these plants to the best advantage in the interests of the company and its shareholders naturally has been to the fore.

The history of Massey-Harris Co. in Canada is almost a history of the agricultural implement and machinery industry in the Dominion. It is a history of various concerns which later merged. The component units of the company have at various times moved bodily from one place to another which was more suitable and mergers and amalgamations have been the order of the day. Most of the plants have been developed where they are because some active and enterprising concern has been taken into the larger company and the created business has continued where it was. But there have been many moves as well. The original Massey factory at Newcastle, Ont., was transferred, in 1879, to Toronto entirely, and it took in the Toronto Reaper & Mower Co., in Toronto.

The Harris side of the business started at Beamsville, and in the early seventies moved to Brantford.

Patterson Bros. & Co., which was purchased for Massey-Harris Co., started at Richmond Hill, Ont., but in 1886 moved to Woodstock.

When, in 1895, the Massey-Harris Co. affiliated with the Bain Wagon Co. of Brantford, the subsidiary company was moved to Woodstock, Ont.

Gets Behind Tariff Walls

When European countries began to put up high tariff walls against the products of agricultural implements, Massey-Harris Co. was quick to establish plants in France and Germany behind the tariff wall, just as the larger United States companies did. Apparently, Massey-Harris Co. is now being given a complete overhauling in order to effect not only all the operating economies possible, but to concentrate operations wherever in any of the plants they will be most effective.

Sales showed a decrease of 14 per cent in 1930, but this was after including 17 months of business of Argentine, New Zealand and South African plants. There will, therefore, be some diminution in 1931 when only 12 months business of these countries will be included. Lower exchange rates in Australia and Argentine will also be an obstacle to remittances on a profitable basis.

Continued losses in exchange are possible so far as Australia and Argentine are concerned. Naturally the immediate situation is dubious. If there are short crops the world over, there may be higher prices. So far as mergers are concerned, one has been made in Australia already. That was more or less forced on the company because of the Australian exchange and the opposition of the Australian Government to the remittance of money earned in Australia.

Funded debt has been dropping gradually for four years. When the company begins to look after the funded debt from current operations and to reduce banking indebtedness as well, the preferred and common stocks will once more assume trading interest. Traders can afford to wait until the world conditions favor such a desirable consummation, but the mere fact that a good comeback is eventually possible should prevent present owners from sacrificing stock at present prices. It might conceivably be a long wait but that would be better than to accept a fraction of what the stock may have cost.

NATION'S BUSINESS

(Continued from page 1)

tered upon, but a road on which there seemed to be no turning back until it had been followed to the end. That is what the London conference essentially was—the end of the road. International organization for the purpose of controlling prices is impossible to achieve, and those who think they could control prices are unable to try their ideas further, because their road has come to an end.

* * *

THE wheat situation will cure itself in time, and perhaps in comparatively short time, by the inevitable working of economic laws, assisted possibly by the processes of nature. And it will certainly cure itself the more quickly now that it is demonstrated to producers that attempts to control prices can be carried no further; and to consumers that they stand in no danger from such attempts. A return to normal processes of marketing, unhampered by governmental and other interference with natural movement, which now seems probable, will assist in the process of correction.

Mayland No. 6 Well Produces 250 Barrels

No. 6 well of Mayland Oil Co., operating in Turner Valley, Alberta, indicated an initial flow of approximately 250 barrels of crude naphtha daily, it has been officially announced.

This well has been drilled to a depth of 4,930 feet, being 260 feet into the limestone. This gives Mayland four producers. April production from three wells as marketed to the Imperial refinery, totalled 8,845 barrels.

When Travelling—

take your funds with you in convenient and readily convertible form. Secure a Letter-of-Credit at any branch of this Bank.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $12,000,000. Reserve, $24,000,000.
Total Assets over $265,000,000.

"Invest in REGENT KNIT Garments"

REGENT KNIT
OUTER and Sports Wear

THE REGENT KNITTING MILLS LIMITED
Head Office—MONTREAL
Mills—St. Jerome, Quebec, and Guelph, Ontario

THRIFT STORES LIMITED

CONSOLIDATED BALANCE SHEET
as at March 31st, 1931

ASSETS

CURRENT ASSETS:—		
Cash in Bank and at Call	$135,162.42	
Inventory of Merchandise	244,949.62	
Trade Accounts Receivable, less Reserve for Doubtful Accounts	48,466.12	
		$428,578.16
DEFERRED CHARGES TO OPERATIONS:—		
Organization Expenses (less $1,814.62 written off)	$ 3,614.36	
Unexpired Insurance and Prepaid Taxes, Etc.	11,553.65	
		15,168.01
FIXED ASSETS:—		
Warehouse and Store Fixtures and Furnishings including tenants improvements, Office Furniture and Fixtures and Transportation Equipment	$172,610.91	
Less:—Reserve for Depreciation	29,439.37	
	$143,171.54	
Goodwill and Leases	39,000.00	
		182,171.54
		$625,917.71

LIABILITIES

CURRENT LIABILITIES:—		
Trade Accounts and Bills Payable	$ 98,988.37	
Income Tax Payable	1,740.14	
		$100,728.51
CAPITAL STOCK:—		
Authorized:—		
14,000, 6½% First Cumulative Redeemable Convertible Preference Shares of the par value of $25.00 per share	$350,000.00	
12,000, 7% Second Cumulative Redeemable Convertible Preference Shares of the par value of $10.00 per share	$120,000.00	
57,000 Ordinary Shares of no par value		
Issued:—		
14,000, 6½% First Cumulative Redeemable Convertible Preference Shares of the par value of $25.00 per share	$350,000.00	
12,000, 7% First Cumulative Redeemable Convertible Preference Shares of the par value of $10.00 per share	120,000.00	
20,000 Ordinary Shares of no par value		
		470,000.00
Surplus—as per Statement attached		55,189.20
		$625,917.71

Approved on Behalf of the Board:—
M. RUDOLPH, Director.
A. M. MITCHELL, Director.

AUDITORS' CERTIFICATE

We have audited the books and accounts of Thrift Stores Limited, and Subsidiary Company for the year ending March 31st, 1931.

We have received all the information and explanations we have required, and we certify that, in our opinion, the attached Consolidated Balance Sheet and relative Operating Statements reflect the true position of the affairs of the Company at March 31st, 1931, according to the information and explanations given to us, and as shown by the books of the Company.

Montreal, May 16th, 1931.
ROBSON, CAMPBELL & COMPANY,
Chartered Accountants.

Consolidated Statement of Surplus Account March 31st, 1931

Profit from operations for year ending 31st March, 1931		$95,780.81
Deduct:—		
Depreciation on Warehouse and Stores, Furniture, and Fixtures and Improvements		19,162.72
Net Profit for year before provision for Income Tax		$76,618.09
Deduct:—		
Dividends paid to March 31st, 1931, First Cumulative Preferred Stock	$22,750.00	
Second Cumulative Preferred Stock	8,400.00	
		31,150.00
		$45,468.09
Surplus—Balance at March 31st, 1930	$29,094.41	
Deduct:—		
Inventory and other Adjustments and Income Tax Payable April 30th, 1931	19,373.30	
		9,721.11
Balance at March 31st, 1931		$55,189.20

A Public Utility Bond with a 6% Yield

WE recommend the 6% first mortgage bonds of National Light & Power Co., Limited, due in 1949, both for security of principal and for attractive yield.

The company's 1930 net earnings before depreciation were 2.31 times bond interest requirements.

PRICE: 100 and interest, to yield 6 per cent.

Write for full particulars

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Montreal Ottawa Hamilton London Winnipeg

For Reliable Labour Supply
try
HAWKESBURY
—Ontario—

Always a manufacturing centre, Hawkesbury offers the industrialists an abundance of good labour available all the year round.

For over 27 years Hawkesbury has been free from strikes—industrial troubles are practically unknown.

Write
A. M. Pinard, *Secretary*
The Board of Trade
HAWKESBURY
—Ontario—

"You Made a Success of Me" . . . . . .

Thus comments one client who attributes his change from a groping failure to a happy success to vocational suggestions revealed by an analysis of his handwriting.

You, too, may need vocational advice. A scientific study of your handwriting can do much to direct you to the work for which you are best fitted.

SEND IN A SAMPLE

of your own handwriting (10 or 12 words and signature—in ink preferred) for a complete report on your vocational ability, character and health. Fee returned if you are not satisfied.

All reports rendered in strict confidence. Splendid references available from numerous business and professional men who have found these reports correct and very valuable.

FEES
Single analysis .... $5.00 ($3.00 without health report)
Group analysis .... Terms by arrangement

Expert examination of documents for authenticity, forgeries, legal reports. Terms on application.

F. D. JACOB
BOX 701, OTTAWA

PSYCHO-GRAPHOLOGIST TO THE DOMINION GOVERNMENT

IN THE NEXT TOWN or ON THE OTHER SIDE OF THE GLOBE

HAVING over 650 Branches in Canada and Newfoundland, offices in London, Paris, New York, Chicago, San Francisco and Mexico, and world-wide banking connections, the Bank of Montreal is able to take care of financial business *anywhere* with the utmost promptness and efficiency.

BANK OF MONTREAL
Established 1817
Total Assets in Excess of $800,000,000
Head Office Montreal

H. G. Stanton *G. A. Upjohn* *J. H. Bales* *A. Grant Brown*

H. G. STANTON COMPANY
Members Toronto Stock Exchange
STOCK BROKERS
Send for a copy of our Market Letter
Enquiries and Orders by Mail invited
ROYAL BANK BUILDING Telephone Elgin 8106

CONCERNING--- CUSTOM TAILORED SHIRTS—!

Custom tailored shirts give an assurance of dress correctness which you will appreciate.

Visit Eaton's Custom Tailoring shirt department and see the new imported summer shirtings. Such expert tailoring, at moderate prices, will agreeably surprise you.

CUSTOM TAILORING SHIRT DEPARTMENT
MAIN FLOOR, QUEEN ST.
T. EATON Co LIMITED

POWER CORPORATION OF CANADA, LIMITED

ENGINEERING AND CONSTRUCTION DIVISIONS

ENGINEERING AND CONTRACTING
INDUSTRIAL PLANTS RAILWAYS
POWER PLANTS HYDRAULIC WORKS
ETC.

355 St. James St. MONTREAL, CANADA

THE ROYAL BANK OF CANADA

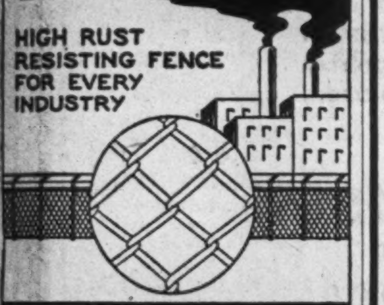
In Thirty-two Countries

AFTER your goods are sold, the collection of your accounts quickly and economically is an all-important factor. Besides profiting by our intimate knowledge of shippers' requirements, collections lodged with us have the benefit of our branch system covering Canada and 31 other countries.

The Royal Bank of Canada

FREDERICK G. TODD
Landscape Architect
920 Castle Bldg., MONTREAL
Marquette 9417

SARNIA CHAIN LINK
HIGH RUST RESISTING FENCE FOR EVERY INDUSTRY
SARNIA FENCE Co Ltd
SARNIA ONTARIO



TIME OUT at 3 o'clock

IT IS a pleasant custom to pause for a fortifying bit of refreshment when the afternoon begins to drag, and to enjoy a restful interlude with Canada Dry — the Champagne of Ginger Ales.

For this is a drink to pick you up and refresh you. Crisp and keen as the snows of Canada—sunny as the ginger fields of Jamaica—it has a distinctive flavour that is comparable only to an old vintage wine.

Just a little time out—just a glassful of Canada Dry—and the rest of the afternoon seems short.

CANADA DRY

The Champagne of Ginger Ales

Canada Dry Ginger Ale Limited
Toronto, Edmonton and Montreal

Hodgson Bros. & Dunton
Limited
INVESTMENT SECURITIES
240 St. James Street
Montreal
MArquette 5678

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of TWELVE PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

THURSDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June, 1931.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, May 13th, 1931.

Receive Your Copy Each Week

The information which The Financial Post brings to you is worth dollars and cents if you use it. Many thousands are now using it with profit.
Why not send $5.00 so that you will receive your copy each week without fail and also be entitled to use the "Answers to Enquiries" service FREE?
Fill in the coupon now—it's a big five dollars' worth.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues) this to entitle me also to obtain by letter, whenever I wish, a personal reply from the Investment Editor to inquiries regarding any Canadian investments in which I may be interested by simply supplying a stamped return envelope. I enclose $5.00.

Name ....
Occupation ....
Address 663

AVALON 'PHONE COMMON EARNED $1.80 PER SHARE

Continued Progress in Past Year—Cash Position Better

Increase in gross earnings to $243,358 from $221,080, the previous year, are reported for Avalon Telephone Co., for the year ended Dec. 31, 1930. After increased provision for depreciation, bond interest, and allowance for amortization and income tax the company shows a net profit available for dividends of $45,070 as against $42,081 in 1929. Dividends at the rate of 7 per cent amounting in total to $28,000, were paid on the preferred shares, as in 1929, and left earnings of $1.80 on the 9,454 shares of $25 par value common as against $1.49 in 1929. Common dividends of $1.50 per share were paid during the year leaving a surplus for the year of $525.

Current assets of the company total $125,481 as compared with $132,361 in 1929, while current liabilities have decreased to $49,263 from $62,698. The net result is an increase in the ratio of current assets to current liabilities to 2.54 to 1 from 2.11 to 1. Cash has been increased to $58,089 from $13,308; accounts receivable and sundry advances total $28,138 as compared with accounts receivable of $44,239 in 1929. Inventories have been increased to $32,589, while investments, not included as current assets, amount to $116,319 as against $54,801 shown as current the previous year. Bank loans amounting to $26,000 in 1929 have ben paid off and accounts payable have been reduced to $7,899 from $9,481. Bond interest due January 1 amounted to $20,625, dividends due to $15,949 and accrued taxes to $4,790.

Add To Plant

Additions amounting to $58,327 during the year brought the book value of plant, equipment and buildings to $1,183,744. Deferred charges were increased by $83,100 to $152,534 due to discount on new bond issue and premiums on previous bond issue redeemed, $3,585 was charged to profit and loss from the deferred charges making the balance shown at $148,950. Business life insurance premiums are carried at $2,165.

In addition to current liabilities the company has bonds outstanding to the amount of $750,000 which were issued in July, 1930, and replaced two previous issues totalling $516,800. Reserve for depreciation is $139,928 after deduction of $9,750 for replacement in 1930. Capital stock outstanding consists of $400,000 of 7 per cent preferred shares and $236,350 of ordinary shares, both classes having a par value of $25. Balance carried forward in profit and loss accounnt was $1,117.

Details of the income and surplus account in the past three years are as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1930	1929	1928
	$	$	$
Gross earn.	243,358	221,080	198,405
Less: Oper. exp.	111,250	103,659	94,675
Net earnings	132,108	117,421	103,730
Less: Depreciation.	45,899	41,394	37,536
Bond int.	34,663	27,161	23,825
Amortization	3,585	......	......
Res. for sink. fd.	......	6,785	6,360
Inc. tax. 1929	2,891	......	......
Net profit	45,070	42,081	36,009
Less appropriations:			
Pref. divds.	28,000	28,000	28,000
Com. divds.	16,545	14,181	11,818
Surplus for year	525	*099	*3,809
Add: Prev. surplus	592	691	4,600
Bal. carr. forward	1,117	592	691

*Deficit.

Brazilian's Net Drops for April, Due to Exchange

Due almost entirely to a progressive decline in Brazilian exchange rates, both gross and net earnings for April and for the first four months of 1931 are considerably less than for the same month and for the same period of 1930. The company points out, in connection with its monthly report on earnings, that the first six months of 1930 were considerably higher than the last six months and that this decline has been continuing steadily as well in 1931.

Gross earnings for the first four months of 1931 were $12,610,957, a decline of 20.36 per cent as compared with the same period in 1930. Net earnings for 1931 to the end of April were $7,514,146, a falling off of 16.81 per cent. As operating expenses showed a decline of 25.08 per cent, the net falling off is less than the decline in gross earnings.

The falling off in April, the last month of the four, was greater than the average for the four months. Gross earnings at $3,004,444 were down 27.21 per cent and net earnings at $1,829,799 were down 22.93 per cent from $2,374,333 for April, 1930. Operating expenses in April of 1931 are 33 per cent less than for April, 1930.

BARCELONA TRACTION APRIL INCOME DOWN

Hopes for Political Stability in Spain Expressed at Annual Meeting

Future progress of Barcelona Traction, Light & Power Co. will be considerably affected by the results of the general elections soon to be held. A telegram received last week by the company was read at the annual meeting on May 20 to the effect that the Government had the rioting well in hand and was determined not to permit further disturbances. Miller Lash, vice-president of the company, expressed confidence in the present government's strength.

Though a slightly lower rate of operations has been shown since the beginning of the year, the continued decline of the peseta is a more unfavorable factor, and it is the chief reason why more stable political conditions are looked for. April earnings announced at the annual meeting were not quite equal to April of 1930. Gross earnings were 8,734,885 pesetas against 8,804,838 pesetas for the same month in 1930. Operating expenses at 3,110,212 pesetas were higher on account of repairs to canals being greater than usual. Net earnings of 5,624,673 pesetas compared with 6,120,287 pesetas for April, 1930. The decrease in net was equal to about $50,000 at the present rate of exchange.

Construction in Saskatoon

Building permits issued in Saskatoon for the year to May 15 total $1,028,410, according to figures issued by H. McI. Weir, city building inspector. Approximately 50 dwellings are under construction in the city.

Consolidated Industries Listed on Toronto Exch.

Consolidated Industries, Ltd., takes the place of De Forest Crosley Radio Co., Ltd., in future transactions on the Toronto Stock Exchange, but under the new name transactions will take place on the listed section whereas in the past trading in De Forest was on the Toronto Curb. The code abbreviation has been changed in consequence from "DF" to "CIN."

Sells Near Peak

De Forest Crosley Radio Co. was first admitted to trading on the Toronto Stock Exchange curb in November, 1928, five years after its incorporation in 1923. The original board of directors included Major James E. Hahn, who was responsible for the company's organization, and also D. H. Pollitt and A. L. Ainsworth, who have remained associated with the company throughout this period.

The common stock is unique in that the present market valuation around 18 is near the high points achieved in 1929, when the stock sold as high as 89 before the four for one split of the common stock. This is a reflection of the fact that the company earned $4.11 a share for the year ending March 31, 1931, as against $1.61 a share in the previous year. The present change in name does not involve any change in the capital structure of the company.

Under the new name the company will represent important efforts in selling electrical refrigerators and synchronous electrical clocks as well as radios. The company has had as its policy the seeking of diversification in products which have an expanding field.

Helped Put Over Loan

V. M. DRURY,
of Drury & Co., who, as vice-chairman of the Conversion Loan Committee, was largely responsible for the success of the largest piece of domestic financing since the war.

DONNACONA BOARD MILL SALES GAIN

(Continued from page 1)

insulated homes and industrial buildings has made for a wider demand and should bring about an improved showing in earnings.

In respect to current operations, it is officially stated that tests are now nearing completion on Donnacona acoustical board. The growing use of ceiling and wall materials designed for acoustical control and to minimize reverberations and noise makes this field an important one.

Heretofore most of this class of material has been imported, but present indications are that the new Price Brothers product will prove superior to the imported article and will probably sell at a lower price.

CAN. POWER NEW SCHEME READY SOON

(Continued from page 1)

been further complicated by the cut in newsprint prices—made retroactive from the beginning of 1931—which made further inroads on the company's earning, inasmuch as mill operations have not shown any appreciable improvement. In respect to the new price schedule, Canada Power and Paper Corp. took the initiative.

Lower Operating Costs

On the other hand the majority of newsprint producers, including Canada Power & Paper, have been able to make substantial cuts in operating costs, which tend to minimize the seriousness of the lower price schedule.

While there are signs of an improvement in the United States demand for newsprint, expectations are that considerable time will elapse before mill operations approach the average of the past ten years.

Earning Power Base

In working out a plan of reorganization, it is considered that to be a success any rearrangement of the capital structure will have to be based on current earning power. Though the present situation is subnormal in many respects, it is believed that no attempt should be made to build upon a potential earning power.

In order to bring about this change in the capital structure, the face value of the securities will have to be pared down considerably, which in turn means a lowering of the fixed charges of the parent company. Interest now centres on how far the committee will go in recommending a paring down of capitalization. In view of the large sum of money invested in the company and its different subsidiaries and the widespread distribution of the securities, the reorganization of the company is regarded as a major piece of industrial rehabilitation.

Furthermore, plans for further mergers among the newsprint producers will most likely await the Canada Power & Paper plan to see what value the committee place upon the assets and earning power of Canada's largest newsprint producer.

It is understood unofficially Canada Power reorganization plan provides for wiping out all underlying bonds and preferred stock as well as debentures. New set-up will include income bonds and common stock. Laurentide and Wayagamack debentures will receive $15 of income bonds and stock value of other securities will be cut substantially and replaced with new securities. There is a likelihood Anglo-Canadian will not be included in new set-up.

Andian National Corp. Pays $1 Dividend

Andian National Corp., operating a 335-mile pipe line in Colombia, South America, has declared a dividend on the common stock of $1 a share, payable June 12, 1931, to shareholders of record June 2.

Holders of bearer share warrants may obtain payment of this dividend by presenting Coupon No. 5 detached from their warrants at the Royal Bank of Canada at 60 Church St. in Toronto or New York City at 68 William St.

Andian National Corp. holds a contract with Tropical Oil Co., wholly-owned subsidiary of International Petroleum Co., to move 50,000,000 barrels of its production for export. From 1926 to 1929 it moved 56,000,000 barrels. The pipe line taps all the principal known petroleum areas in Colombia.

There is no regular rate of dividend. A stock dividend of 20 per cent was paid in December, 1929. The company also paid $1 a share on December 16, 1929, $1 a share on June 21, 1930, $1 a share on December 15, 1930, and now another $1 a share. As there are 2,550,000 no par value common shares outstanding one such payment requires $2,550,000, or $5,100,000 a year if the 1930 rate is maintained in 1931.

NEWF'DLAND FUTURE CONSIDERED ASSURED DESPITE DEPRESSION

(Continued from page 1)

with the Government in every respect in negotiating for a new loan and ordinary current obligations are being cared for."

This is not an official statement of the bank, but officials of that institution state that the foregoing is accurate.

Enquiries from other sources in Montreal and Toronto, which keep in close touch with business conditions in Newfoundland, elicited the information that the despatches were unduly pessimistic and had the appearance of being inspired in order to embarrass the Government.

Taking the industrial situation, the two paper mills are operating within 10 per cent of capacity — 90.9 per cent in April; Newfoundland Light and Power has lowered its rates and reports that demand for electric energy has shown an appreciable increase; while iron ore operations of Dominion Steel and Coal at Wabana are on a lower scale, they merely reflect slower operations at Sydney; import and export trade is larger in volume, but lower in value; mining operations are limited.

Fish Prospects Better

Unemployment exists on the island, but not unduly so. Conditions in the fishing trade are poor, but given a good catch this year, outports will be in a more prosperous condition. The abnormal catch of the Icelandic fishermen last year played havoc with the Newfoundland fish market. Returns to date indicate a more normal catch, giving rise to the belief that the marketing of Newfoundland fish will be carried out on better terms this year.

Newfoundland's present business situation and her resources for development, are outlined in a twelve-page supplement to this issue of The Financial Post. This unvarnished record reveals that while Newfoundland is today sharing the world's business depression, the island's natural resources and opportunities insure the stability of her economic affairs.

Will Raise Funds

The manager of the Bank of Montreal at St. John's stated on May 26 that there was no reason for alarm over the present situation. The fact there was no bid for the projected loan within the time prescribed did not mean, he added, the loan would not be negotiated. The bank was co-operating in the raising of the loan, and he felt that within the next eight or ten days it would be raised. The Government, he declared, had sufficient money coming in as revenue to meet current expenditures.

A reassuring statement was issued by the prime minister, Sir Richard Squires:

In order to offset the harm of the earlier reports, Sir Richard Squires issued an official statement in which he said: "Newfoundland's motto is business as usual. Commercial activities will undoubtedly be conducted this year on a more conservative basis; commercial credits will undoubtedly be carefully supervised and in every channel of activity, governmental, industrial and private, there will be a greater effort than ever to secure a dollar's worth in value for every dollar spent. That policy, however, tends to commercial stability and industrial development."

Want Bond Tenders

On May 15 the Legislature passed an Act authorizing the raising of a public loan, $5,000,000 for public purposes, $2,000,000 for refunding of an Imperial war loan, and $1,000,000 as a loan to the municipality of St. John's. The Bank of Montreal was authorized to invite tenders for this loan, and beyond the fact that the bank advertised this matter for a few days, no negotiations were undertaken in connection therewith, said Premier Squires. Up to Saturday no tenders had been received.

In so far as he know, Sir Richard continued, no efforts had been made by the bank other than by formal advertisement to negotiate a loan. The loan authorized by the statute is a five per cent tax-free investment, regarded by the Premier as very attractive from a financial standpoint. As soon as the general public realized that "gilt-edged" investment of this sort was available, it would rapidly be absorbed, he believed, pointing out that the whole loan represented only a small portion of the cash now on savings deposit in Canadian banks doing business in St. John's.

No Labrador Sale

Turning to the Labrador question, the Premier said that by act of Parliament passed some years ago, government concessions of major importance could be granted only by legislative enactment. None had been granted, other than an area of two square miles in the vicinity of Cartwright, which was done under a measure introduced by himself at the last session. This was a concession in favor of the Newfoundland Grenfell Association, the land being granted the association for hospital and educational purposes, the area being sufficiently large to provide timber, agricultural land and a water supply.

Labrador was consequently now intact for development. "Labrador is not for sale," Sir Richard said. Labrador was a portion of the sovereignty of His Majesty the King, and under no circumstances would any negotiations be undertaken associated "directly or indirectly" with any change of flag, nationality or allegiance. The timber, mineral and waterpower resources were available for investors on suitable terms, in conformity with the provisions of the Newfoundland Crown Lands Act of 1930, or special legislation, if any large programme of development was being considered which would not normally come within the scope of existing Crown lands legislation.

Finances are Satisfactory

The financial situation in Newfoundland was eminently satisfactory, in comparison with leading countries on both sides of the Atlantic, Sir Richard continued. There was a small surplus of revenue over expenditure as at June 30 last. During the past year there had been no overexpenditure, but a shortage of revenue, due to the fact that Newfoundland's revenue is based mainly on an ad valorem customs tariff on certain imported goods. As these goods had dropped in value in the foreign market, the duty had proportionately declined. The result was an estimated deficit of $2,750,000. This had not meant a shortage in importations.

Greater Purchasing Power

It meant the people of Newfoundland had purchased their goods at a very much cheaper import price and had paid duties thereon of approximately $2,750,000 less than they would have paid had it not been for depreciation in the cost in the foreign market.

While this had been of great disadvantage to the Government in its financing, it had meant an advantage of two to three times that amount to the people of the country who were the purchasers and consumers of imported products.

Instead of changing its system of revenue collecting from an ad valorem to a specific basis, or imposing additional taxation, the Newfoundland Legislature at its last session had reported an estimated deficit on this year's account, an estimated deficit of $1,250,000 on next year's account, and instituted a policy of economy. Large reductions were made in allowances to various departments, and a special ten per cent reduction was made on practically all public services except public health and certain educational services.

WHITE TRUCKS OPEN PLANT AT MONTREAL

37 Models, Bodies, Equipment Will be Made in Canada

White Motor Co. has announced that it will shortly open a plant at Montreal for the purpose of building White motor-trucks and buses for their Canadian business.

The new plant, which will go into production on June 1, will be under the charge of L. M. Hart, vice-president of the company. Factory branches will be maintained in Montreal, Toronto, Winnipeg, Calgary and Vancouver.

In making this announcement, A. G. Bean, president of the White Motor Co., said:

"We are establishing a Canadian factory to keep pace with the rapid growth of Canadian industry. For the past 22 years we have been represented in Canada by The White Company, Ltd. By building White trucks and buses in Canada we will have facilities to meet the growing demand for White products and to give operators of trucks and buses in that country an unexcelled transportation service."

The White Company's line comprises 37 truck and bus chassis, which include both four- and six-cylinder models. It is understood that bodies and much of the equipment will also be manufactured in Canada.

A Little Change—
A Big Improvement

Have you had your will revised in the last few years?

A few simple changes may bring your will up-to-date and make it serve your estate and your family better.

Crown Trust Company

AUTHORIZED CAPITAL - - $5,000,000
PAID-UP CAPITAL - - - 1,000,000
RESERVE FUND - - - - 400,000

St. James Street • Montreal

IAC
A NATIONAL SERVICE BY A CANADIAN COMPANY

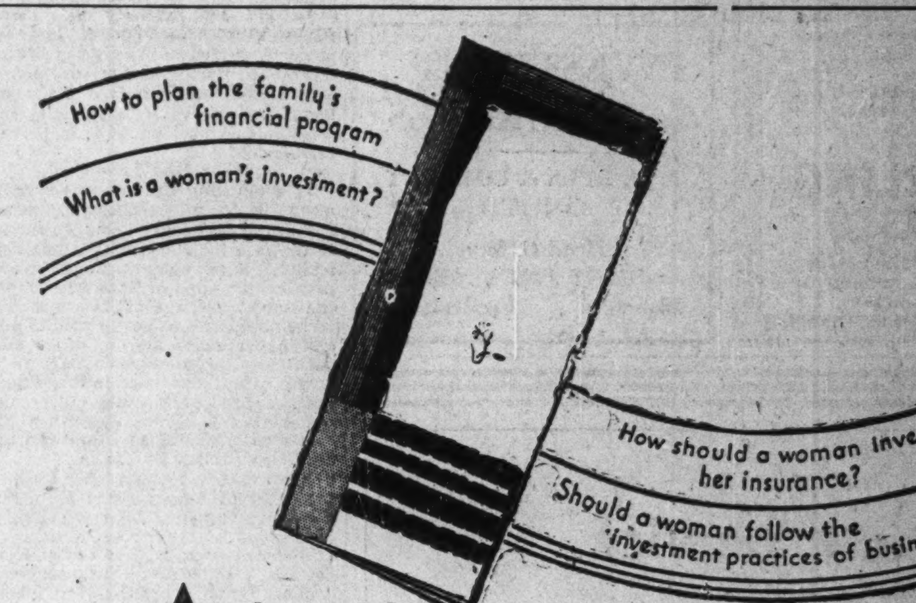
Instalment Financing
Helps Promote Better Business

There is available through Industrial Acceptance Corporation Limited a plan of Instalment Financing which will undoubtedly help promote "Better" Business for practically any Canadian product that can be sold on the deferred payment plan.

Industrial Acceptance Corporation experts specially trained in such a study will gladly outline a plan to any manufacturer or retailer located in Canada, who is interested in increasing sales by this modern method.

Write today without placing yourself under any obligation.

INDUSTRIAL ACCEPTANCE CORPORATION
LIMITED
Offices in
Halifax St. John Quebec Montreal Ottawa Toronto Hamilton
Windsor Winnipeg, Regina Calgary Edmonton Vancouver


How to plan the family's financial program
What is a woman's investment?
How should a woman invest her insurance?
Should a woman follow the investment practices of business men?

A book that will help women increase their knowledge of Sound Investment

QUESTIONS asked by women investors—and answered by the Old Counsellor on the Halsey, Stuart & Co. radio program—form the basis of this unusual booklet. It is therefore practical—drawn from actual experience gained in serving women investors.

Each subject is approached from the woman's point of view. The text is free from technicalities—presenting the essential information in an understandable way.

For the woman who may have been tempted to pattern her investments after those of some successful business man, this booklet explains the pitfalls of such procedure. It shows how the individual needs govern the proper selection of suitable securities. It points out the importance of diversification and the ways to diversify.

A particularly interesting section takes up the problem of how to plan the family's financial program, and offers a practical solution.

Women who are now investing money—whether in large or small sums—or who are ambitious to become investors, will find this twenty-page booklet of real help to them. We shall be glad to send a copy on request.

THE PROGRAM THAT DOES MORE THAN ENTERTAIN

Increase your knowledge of sound investment by listening to the Old Counsellor on the Halsey, Stuart & Co. program. Broadcast over a Coast to Coast network of 38 stations associated with National Broadcasting Co.

WEDNESDAY
C-K-G-W 9 P.M.
8 P.M.
Eastern Standard Time

HALSEY, STUART & CO.
INCORPORATED
Toronto Branch Office, 6 King Street, East, Telephone Waverley 3041
CHICAGO, NEW YORK AND OTHER PRINCIPAL CITIES

COMPETENT INVESTMENT SERVICE BY MAIL
For investors who live at too great a distance from our offices to be called upon by our representatives, we maintain a competent staff, trained to give as efficient and satisfactory service by mail as could be rendered through personal contact. Write to our nearest branch office if you are interested in knowing the full details of this service.

Don't be a "LEFT-BEHINDER"

For there is now no excuse for not seeing Europe . . . the expense of such a journey is low . . . by Canadian Pacific Cabin Class you may cross to the accompaniment of every luxury which you enjoy in the best hotels . . .

So come this year . . . see Europe . . . join the happy care-free throng on the sunny deck of a Regal Duchess or popular lower-cost cabin liner. Several sailings weekly from Montreal and Quebec to 9 British and Continental Ports.

Full information from your local agent or
J. BLACK MACKAY
General Agent
Canadian Pacific Bldg.
Toronto

"Always Carry Canadian Pacific Travellers' Cheques . . . Good the World Over."

292

Canadian Pacific
WORLD'S GREATEST TRAVEL SYSTEM

Expert Will Survey Harbor of Saint John

From Our Own Correspondent

MONTREAL. — Federal engineers, harbor experts and specialists in construction of water terminal facilities are in Saint John for the purpose of making a preliminary inspection tour of the harbor prior to the arrival of Sir Alexander Gibbs who will make a complete harbor survey.

Sir Alexander Gibbs is a noted English harbor authority and has been retained by the Federal Government to inspect all nationalized harbors.

We Manage Syndicates and Small Companies

For a moderate fee—much less than a similar service might otherwise cost—a specially-trained staff will manage your business affairs.

May we explain this service to you?

THE STERLING TRUSTS CORPORATION
Sterling Tower, TORONTO
Branch:—REGINA

Utilities and Transportation

CANADIAN HYDRO REVENUE HIGHER IN CURRENT YEAR

Reports of Water Shortage Misleading—Supply Adequate

From Our Own Correspondent

MONTREAL.—Consolidated net revenue of Canadian Hydro-Electric Corp. and subsidiary companies, including Gatineau Power, in March last, after all charges and available for dividends, was $144,244. This compares with $137,154 in the same month last year.

For the 12 months ended March 31, 1931, net revenue available for dividends was $2,044,607, or two and three-quarter times dividend requirements on the corporation's first preferred stock. This compares with $1,191,361 in the year ended March 31, 1930.

Interim Reports Encouraging

Comparative statements are as follows:

Month of March	1931 $	1930 $
Gross rev. (inc. other income)	696,893	680,087
Net before int. & depr.	689,600	576,425
Balance	144,244	137,154
Divds. Can. Hydro-Elec. Corp. 1st pfd. stock	62,500	62,500
Net added to surplus	81,744	74,654

Twelve Months Ended March 31	1931 $	1930 $
Gross rev. (inc. other income)	8,676,297	7,274,216
Net before int. & depr.	7,372,079	6,072,658
Balance	2,044,607	1,191,361
Divds. Can. Hydro-Elec. Corp. 1st pfd. stock	750,000	750,000
Net added to surplus	1,294,607	441,361

Adequate Water Supply

As pointed out in The Financial Post last week, misleading reports have been circulated to the effect that Gatineau Power Co. was experiencing shortage of water. Such is not the case as R. F. Howard, power sales manager of the company, states that all existing contracts are being taken care of and that the company's plants are adequately supplied with water, not only at present, but for the balance of the current year.

The company has the advantage of two large storage reservoirs operated under the direction of the Quebec Streams Commission. At present the Mercier Dam contains about 95,000,000,000 cubic feet of water and the Cabonga reservoir about 45,000,000 cubic feet. This most northern reserve has not yet been drawn upon. An average of around 2,500,000,000 cubic feet of water per day is being put into these storage dams.

Condition is Normal

While the flow of the river is at the present time somewhat below normal, this condition is not to be construed as adverse inasmuch as the spring season is usually one of wastage, due to the heavy flow. Additional water can be expected to come down from the north within a few weeks, the northern freshets usually appearing between the present time and the early part of June.

List Dominion Tar Stocks

From Our Own Correspondent

MONTREAL.—There has been listed on the Montreal Curb Market 486 additional common shares, of no par value, of Dominion Tar & Chemical Co.

INVESTMENT SECURITIES

T. M. BELL & COMPANY LIMITED
Head Office:
SAINT JOHN, N.B.
Moncton Fredericton

A New Service For Small Investors

Individual investors may also benefit from the investigations and research of The Financial Post Corporation Service by securing a special service on the specific companies in which they are interested.

At the attractive rate of $1 a month, on a yearly basis, you may secure a special service on any 10 companies you select. Such a service includes the detailed analyses and all news cards and revisions published on those companies throughout the year.

Take advantage of this offer to obtain up-to-the-minute reliable information on the companies in which you invest. Attach your list to the coupon and mail it today.

Only $1.00 a month - $12.00 a year for any 10 Companies

Additional Companies pro rata

The Financial Post Corporation Service
153 University Ave., Toronto

THE FINANCIAL POST CORPORATION SERVICE,
153 University Ave., Toronto, Ont.

Please send me postpaid special yearly service on the attached list of .... companies at the rate of $12 a year for 10 companies and additional companies pro rata.

I enclose cheque for $................ covering this service.

Name ....

Address ....

Central Electric Station Total Capital Investment Passes $1,000,000,000

Consolidates Position as Canada's Largest Industry

POWER USE GROWS

Latest Survey Shows Over 66% of All Rural and Urban Homes Use Electricity

From Our Own Correspondent

MONTREAL.—Capital investment in the central electric station industry in Canada passed the billion dollar mark during 1929.

At the end of that year, the industry reported to the Dominion Bureau of Statistics a capital investment of $1,055,731,532, which was far the largest investment in any single manufacturing industry, the second industry being the pulp and paper, with $644,733,806. The increase during the year of $98,811,929 did not include expenditures on plants under construction, but only expenditures by stations operating on December 31, 1929.

Output Growth Consistent

The total output of all central electric stations in Canada for 1929 was 17,962,515,000 kw.h., which was an increase over the preceding year's output of 10 per cent, as against yearly increases of 12, 20 and 20 per cent, respectively in 1928, 1927, and 1926.

The large increase in use of electricity for both power and lighting purposes and also the increasing use of off-peak power from water power plants have increased the quantity of useful power per unit of capacity of equipment so that in 1929 the ratio of output to maximum of rated capacity was 50 per cent, as against 42 per cent in 1922.

This is a high ratio for the industry as a whole, and, to a considerable extent, was due to a few large systems having ratios of 60 to 72 per cent. In computing this ratio, allowance is made for generators installed or removed during the year. In the United States, according to the last report, this ratio was only 33 per cent, making no allowance for equipment in place only part of the year.

Consolidating Operations

There was a continuation of merging and consolidating during the year, the total number of commercial stations selling electricity being reduced by 19 and the number of municipal organizations being reduced by 20. In Quebec the number of commercial organizations was reduced from 70 in 1928 to 58, partly due to consolidation of the subsidiary companies of one large company and partly due to the acquisition of small plants by large companies. In Saskatchewan and Alberta there was a decrease of 12 municipal organizations engaged in central electric station activities and an increase of 6 commercial organizations.

Revenue Keeps Growing

Revenue of the central electric stations in 1929 amounted to $122,883,446 which did not include any payments for power interchanged between stations, but only the revenue received from consumers and for power exported to the United States. Over one-quarter of the revenue, or $33,627,863 was received from domestic service, or for electricity sold for lighting, heating, etc., in private residences.

Quebec Has Low Cost

In computing the average revenue per kw.h. for all purposes, the power generated in Quebec and transmitted to Ontario for consumption has been included in the computations for both provinces. Quebec stations showed the lowest average of .47 cent. The large quantities of power sold to pulp and paper mills and to other such customers were responsible to a large extent for this low average; the average revenue per power customer was $8,350 as against $1,828 in Ontario, $1,019 in Manitoba and $1,067 in British Columbia.

The average revenues per kw.h. in the other provinces were: Manitoba, .58 cent; Ontario, .76 cent; British Columbia, .88 cent; New Brunswick, 1.76 cents; Alberta, 2.14 cents; Nova Scotia, 2.87 cents; Saskatchewan, 3.49 cents and Prince Edward Island, 7.45 cents.

Bulk Sales Factor

The effect of bulk sales is shown in New Brunswick where the largest plant in the province sells its entire output to two paper companies. The average revenue per kw.h. in 1928 for New Brunswick, before this plant was completed, was 2.57 cents and in 1929 it was reduced to 1.76 cents, although the rates for light and power throughout New Brunswick were practically the same in both years.

Of the 16,164 employees in the central electric stations, 6,890 or 42.6 per cent were in Ontario; 3,975 or 24.6 per cent were in Quebec; 1,621 or 10.0 per cent in British Columbia and the Yukon; 1,333 or $8.3 per cent in Manitoba.

These ratios of employees follow very closely the ratios of customers in each province; Ontario having 646,917, or 42 per cent; Quebec 441,410 or 28 per cent; British Columbia 152,564 or 10 per cent and Manitoba, 93,173 or 6 per cent.

Over 1,550,000 Customers

The total number of customers amounted to 1,555,883, including 1,292,481 domestic service and farm service, and 1,547 municipalities using electricity for street lighting.

British Columbia showed the largest number of domestic service customers per 100 of population with 21.90; Ontario was second with 16.58; Quebec third with 13.86 and Manitoba fourth with 11.18.

All of the provinces showed increases and Canada as a whole increased from 12.50 in 1928 to 13.19 in 1929, which was an increased of 5.5 per cent in the density of domestic service customers. Using the 1921 census figure of 4.97 persons per dwelling, gives an average of 66 per cent of all urban and rural dwellings in Canada using electricity.

Building Thrives in Vancouver

The value of building permits issued by the several building departments of Greater Vancouver for the first two months of 1931 shows an increase of $1,347,611 above the total for the corresponding period of 1930. The 1931 total is $3,633,169.

Power Industry Sets New Marks

From Our Own Correspondent

MONTREAL. — Following are the principal statistics on the central electric station industry for 1929, as prepared by the Bureau of Statistics. In respect to capital investment and growth, this is the largest and most active of any single Canadian manufacturing industry:

	1929	1928
Plants	585	601
Capital (000)	$1,055,731	$956,919
Revenue (000)	$ 122,883	$112,326
Taxes	$4,968,763	$4,697,399
Pole line mileage:		
Distribution	25,844	22,961
Transmission	17,069	14,872
Customers:	1,555,883	1,464,005
Domestic	1,292,481	1,207,457
Commercial	233,854	215,728
Power	28,001	40,820
Street lighting	1,547	......
Primary power, h.p.	4,925,555	4,627,667
Secondary pwr., kv.a.	4,048,019	3,764,331
Output: M. kw.h.	17,962,576	16,337,804

TRINIDAD ELECTRIC SHOWED INCREASE IN 1930 EARNINGS

Higher Working Expenses Leave Net Virtually Unchanged

From Our Own Correspondent

MONTREAL.—Gross earnings of Trinidad Electric Co. in 1930 showed an improvement over those of the previous year amounting to $528,883 as compared with $486,593 in 1929. All departments of the company's activities showed gains with the exception of revenue from passenger receipts.

Operating expenses were increased leaving net earnings higher by about $1,000 at $156,610. Bond interest and directors fees were unchanged; provision for income tax was higher, however, and net profits applicable to dividends were $104,227 as compared with $105,233 in the previous year.

Dividends Are Deferred

Earnings on the 242,500 shares of capital stock were equal to 43 cents a share; in the previous year share earnings were 44 cents. Dividends were paid at the rate of 2½ per cent during the year as opposed to 5 per cent in 1929. Deferment of the last half-yearly payment was due to the management's desire to conserve the cash position in view of the maturity of $720,000 of debentures on June 2 1931.

Following is a comparison of profit and loss figures for the past two years:

	1930	1929
Passenger receipts	$189,473	$192,360
Light and power	249,124	226,146
Ice plant	44,737	27,832
Sundry	45,549	40,256
Total revenue	528,883	486,593
Less: Operating exp.	372,273	331,223
Net earnings	156,610	155,370
Less: Bond interest	36,000	36,000
Directors' fees	1,200	1,200
Income tax	15,183	12,937
Net profit	104,227	105,233
Less: Dividends	29,100	58,200
Surplus for year	75,127	47,033
Add: Prev. surplus	612,296	565,263
Balance forward	687,423	612,296

Working Capital Higher

Working capital shows improvement at $474,749 as compared with $346,658 at the end of 1929. Current assets totalled $543,100 and current liabilities were $68,351. Current assets include cash in bank and on loan at $463,182 contrasted with $351,365, accounts receivable are higher by over $10,000 at $66,811 and inventories are lower by $3,000 at $13,107.

Investments have been increased from $179,294 to $212,171 and property account is unchanged at $2,227,087. Total assets are higher by $153,000 at $2,982,360.

Accounts Payable Increase

In liabilities, accounts payable are up $11,000 at $29,111, coupon account has been increased by about $10,000 to $21,240 and income tax reserve still stands at $15,000. Accident reserve is unchanged at $30,000, replacement reserve is higher by $50,000 at $254,933 and general reserve has been increased by $36,000 to $57,651.

Capital structure is unchanged and surplus brought forward into the current year totals $687,423 as compared with $612,296 at the end of the previous year.

Rates Were Reduced

In the remarks to shareholders it is pointed out that rate reductions effected early in 1930 had the desired effect of stimulating consumption and current supplied last year was 40 per cent greater than in 1928.

It is also stated that some litigation regarding the renewal of the company's franchise is preceeding and a hearing before the Privy Council is expected shortly. The franchise expired in March, 1931.

Pending the decision, any additions to property which were contemplated are being held over until the company's status in regard to the franchise has been defined.

Public Utility Earnings

BRAZILIAN TRACTION

April:	1931 Dollars	1930 Dollars	Decrease Dollars
Gross earn.	3,004,444	4,127,492	1,123,048
Oper. exp.	1,174,645	1,753,159	578,514
Net earn.	1,829,799	2,374,333	544,534
Aggre. gross from Jan. 1.	12,610,957	15,835,315	3,224,358
Aggre. net from Jan. 1	7,514,146	9,032,279	1,518,133

BARCELONA TRACTION

April:	1931 Pesetas	1930 Pesetas	% Incr.
Gross earnings	8,734,885	8,804,838	*0.79
Oper. expenses	3,110,212	2,684,551	15.86
Net earnings	5,624,673	6,120,287	*8.10
Four Mos. ended April 30:			
Gross earnings	38,227,835	37,581,110	1.72
Oper. expenses	12,995,402	12,075,549	7.62
Net earnings	25,232,433	25,505,561	*1.07

*Decrease.

DIVIDENDS COVERED BY CONSOL. PRESS

Working Capital Lower But Financial Strength Well Maintained

Consolidated Press had net earnings of $345,387 for the 15 months ended March 31, 1931, as compared with $286,828 for 1929. Net profit for the period was $153,873 after depreciation, income tax and a further large reserve to bring investments to market value and sundry other adjustments, as compared with $159,944 for 1929. Dividends of $100,000 were paid at the rate of $2 a share on 50,000 no par value class "A" shares. Earnings were at the rate of $3.07 a share for the 15 months as against $3.19 a share for 1929.

CONS. INCOME AND SURPLUS ACCOUNT

	15 mos. ended Mar. 31 1931 $	Year ended Dec. 31 1929 $
Net earnings*	345,387	286,828
Less: Depreciation	48,170	36,993
Deb. interest	58,681	30,132
Res. for income tax	19,724	17,300
Res. to bring invest. to market value & sundry other adjust.	64,939	42,459
Net profit	153,873	159,944
Dividends	100,000	....
Surplus for year	53,873	159,944
Previous surplus	159,943	....
Balance carried forward	213,816	159,944

*Including income from investments.

Current assets of $743,319 are 6.5 times current liabilities of $114,686 as compared with the situation a year earlier when current assets of $776,955 are 6.99 times current liabilities of $111,727. Therefore working capital was somewhat down from $665,828 to $628,633. Investments at market value were down from $438,900 to $369,648, cash from $43,431 to $37,705, but receivables were up from $216,408 to $239,510 and inventories from $78,216 to $79,610.

Fixed assets are shown at $662,741, and funded debt at $667,600.

DOMINION HOIST STARTS PRODUCTION

Dominion Bridge-Engineering Subsidiary Enters Field

From Our Own Correspondent

MONTREAL. — Dominion Hoist & Shovel Co., jointly controlled by Dominion Bridge and Dominion Engineering Works, has turned out the first 'Dominion Gopher" gasoline shovel built in Canada.

This company was recently formed to manufacture in Canada a complete line of shovels, cranes and draglines. Formation of the organization is in line with the established policy of Dominion Bridge and Dominion Engineering of wider diversification of products.

The addition of these lines should strengthen the position of the parent companies, particularly as the new products should give the two companies wider markets without any substantial additions to plant and investment.

Add Other Lines

In this connection Dominion Bridge recently formed another subsidiary, Canadian Pipe & Lining Co. This company will make concrete, lined steel pipe in accordance with Hume specifications. The market for this product is understood to be principally with civic waterworks.

Carrying the policy of diversification further, Dominion Engineering Works have recently concluded arrangements for the manufacture in Canada of Dominion Farrel-Sykes reduction gearing units. This is a quality herringbone reduction gearing which is expected to find a good market in Canada.

DISTILLERS CORP. COVERS DIVIDENDS

Company Closes Fiscal Year on Last Day of July

From Our Own Correspondent

MONTREAL.—Earnings of Distillers Corp.-Seagram's are reported in excess of dividend requirements, the $1 annual dividend having been covered in the first six months of the fiscal year which will end July 31, 1931. In the previous fiscal year, earnings were equal to $2.27 a share on the common stock.

Indications are that the company is obtaining a substantial share of domestic business, though various Provincial Liquor Commissions have reported a shrinkage in sales. Export business, it is reported, has shown a slight decline, though some improvement is anticipated in the future as a result of an agreement recently negotiated between distillers.

Distillers Corp.-Seagram's has no funded debt; the sole securities of the company comprise 1,500,006 shares of no par value common stock. The balance sheet at the end of the last fiscal year showed special loans outstanding of $2,893,434. Inventories were valued at $9,380,764. Total assets were $25,051,117.

POTATO RAILWAY SHARES ARE COSTLY

I. C. C. Thinks C. P. R. Paying Dearly for Control of Aroostook

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway agreed to pay $529,740 to Arthur R. Gould of Presque Isle, Me., for 2,000 shares of the stock of the Aroostook Valley Railroad Co., an important potato carrier in Maine. Mr. Gould was agreeable to transferring his majority holdings for that sum, which was equivalent to $264.87 a share.

In accordance with the terms of the agreement to purchase, application has been made to the Interstate Commerce Commission for authority to acquire this stock. Upon completion of the purchase the Canadian Pacific will hold 2,400 of the total outstanding capital stock of 2,970 shares.

The Interstate Commerce Commission regards the price to be paid as "unreasonably high." The Commission examiner recommends approval of the sale as being "in the public" interest," but proposed that it be held up until the purchase price is "modified" to a "just and reasonable" figure.

No Objections to Sale

No objections to the sale have been made by the State of Maine, competing roads, or minority shareholders.

Asserting that there is no indication that the Canadian Pacific would not get the potato traffic if the Aroostook continued to be owned as at present, the examiner's report said: "In view of the existing relations between the carriers, an immediate motive for the applicant's proposal is not readily seen." The report also pointed to the I. C. C.'s "disinclination to authorize a purchase price in excess of the actual cost of construction, or of the value of the property involved, depreciation considered."

Officials of the Canadian Pacific refuse to comment upon the findings of the commission, in the absence of E. W. Beatty, who is en route to England.

Scotia Power Plans to Build Big Gas Holder

From Our Own Correspondent

MONTREAL.—Nova Scotia Light & Power Co. plans to install a new 600,000 cubic foot gas-holder at its Halifax plant; construction will commence shortly. The new unit will balance out four additional retorts placed in operation last year which increased productive capacity by 50 per cent.

Persistent efforts were made last year to bring about higher gas sales which resulted in an ultimate gain of 23 per cent for the year as compared with 1929. Further, operating efficiency was materially improved leaving the operating balance of the department 50 per cent higher.

Campaign Meets Success

The company's promotional campaign in respect of gas sales met with success in securing commercial gas loans in 1930 and there are now some 40 such installations in Halifax. Customers served numbered 3,223 and the average rate charged was 6.2 per cent less than in 1929.

Gross and net earnings of Nova Scotia Light & Power were higher in 1930. After all deductions earnings on the common were $5.95 a share against dividend requirements of $4.

Conversion Bonds For Cash

The outstanding success of the new Dominion of Canada Conversion Loan indicates strongly the high regard in which these Bonds are held.

Investors who purchase these Bonds for cash are assured of an attractive long term bond of highest security.

We offer Conversion Loan Bonds at the market.

Wood, Gundy & Company Limited
Toronto Montreal Winnipeg Regina Calgary Vancouver
London, Ont. Hamilton Ottawa New York London, Eng.

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD.
366 ADELAIDE ST., WEST
TORONTO 2

WHEN REMITTING
SEND ☛ CANADIAN NATIONAL EXPRESS
MONEY ORDERS

CANADA'S PROGRESS IS SURE

IN events now shaping to make Canada's position pre-eminent among the nations, the success of the Dominion of Canada 1931 Conversion Loan is of the utmost significance.

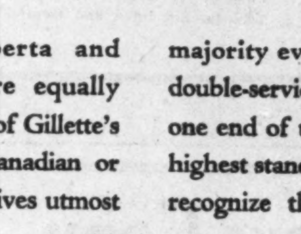
Ringing a note of confidence which re-echoes around the world, Canadians have asserted their unshaken belief in their country's future. This inspires optimism in Canada and her people, and proclaims anew the high standing of Canada's credit.

NESBITT, THOMSON
and Company Limited
Royal Bank Building, TORONTO
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver
922

THE VAST MAJORITY DEMANDS GILLETTE

IN CALGARY OR CALCUTTA
It's Gillette!

MEN of modern Alberta and mysterious Bengal are equally emphatic in their appreciation of Gillette's outstanding worth. To the Canadian or the Mohammedan this blade gives utmost satisfaction at minimum cost. More than a hundred million shavers of all races and nations are included in Gillette's huge roster of users. First choice of the majority everywhere this double-edge, double-service blade is accepted from one end of the earth to the other as the highest standard of quality. You instantly recognize this as conclusive proof that Gillette is a far superior product. Every Gillette stroke, swift and clean, smooth and pleasant, leaves your face cool and delightfully refreshed.



Gillette
RAZORS Gillette BLADES
1085 St. Alexander St., Montreal, Quebec

News of Investment Markets

SEAMAN KENT CANNOT MEET BOND INTEREST

Business Depression and Special Conditions in Flooring Industry Are Causes

Seaman Kent Co., one of the largest manufacturers of flooring and other hardwood products in the British Empire, announces that it finds itself unable to provide for payment of interest coupons due June 1, 1931, on its 7 per cent first mortgage bonds, due December 1, 1944. Explanations given are that the business depression has affected building operations to a considerable extent and that special conditions of a temporary character have adversely affected the hardwood flooring industry. These special conditions, it is hoped by the company, will be rectified in the near future.

The special conditions are believed to refer to severe competition and price-cutting which have developed in this field. The reference to possible rectification appears to offer hope to holders of mortgage bonds that their claims may eventually be adjusted without proceeding to liquidation. A committee for the protection of the bondholders has already been formed. It is composed of R. Home Smith, E. Holt Gurney, E. B. Stockdale and J. H. Ratcliffe.

Organized in 1900

An issue of $400,000 of these 7 per cent first mortgage bonds was first publicly offered in Canada in December, 1924, just after control of the company had been secured by the M. J. O'Brien interests of Ottawa. The company itself was born in the first days of the twentieth century and in the first 24 years of its existence did very well. It was reported that net average earnings for the five years previous to 1924 had exceeded $100,000. The bond issue was meant to recoup the O'Briens for building a new mill for the company at Renfrew and to provide additional working capital. The net tangible assets were then three times the bond issue. It was also reported that the company owed no money to the banks.

By June 30, 1927, the situation had changed somewhat. First mortgage bonds and accrued interest had grown to $452,625 and net earnings for the year were $77,127 on total sales of $1,567,526. Of that $77,000, bond and other interest took $49,500, bad debts $10,695 and depreciation $15,000, or about $75,000 in all. The company had also at that time indirect liability for bills under discount of $118,450.

Owed Banks Money

Current assets on June 30, 1927, amounted to $622,950 and current liabilities to $394,471, leaving working capital of $228,479. The current liabilities included an amount of $206,692 for bankers advances secured, and almost that amount had also been outstanding on June 30, 1926 as well. It is possible that requirements of bankers may have had some effect on the present situation which resulted in the company announcing its inability to meet bond interest.

Though revenues of the company after 1924 apparently did not live up to the previous record it was apparently able in the 1927 and 1928 to earn enough to satisfy sinking fund requirements on the first mortgage bonds. In July, 1928, the bonds outstanding had dropped to $413,600 and it is understood that the total is now about $398,000.

There was a change in control in 1928. Instead of J. A. O'Brien, who had previously been president, George Edwards, of Edwards, Morgan & Co., became president after being in control of the financial policy as chairman of the board for some years.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
B.C. Telephone	4½%	1962	†Nov. 1	105
Brazeau Collieries	7%	1935	*July 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
Buffalo & Ft. Erie Pub. Bridge	*7%	1955	June 1	107
Wabasso Cotton	*6%	1947	June 1	105
West Kootenay Pr.	6%	1940	Sept. 1	110
Do.	6%	1943	June 15	104
Ogilvy Realty	6½%	1952	June 1	106
Imperial Realty	*6%	1945	July 1	103
B.C. Electric	5%	1944	June 15	100
Nashwaak Pulp	*6%	1936	July 1	100
Mont Louis Seigniory	*6%	1944	June 1	...
Stock Issues—				
Standard Brands	*7% pref. "A"		July 1	120
Foreign Issues—				
Kingdom of Denmark	*5%	1955	Aug. 1	100
Hungarian Land Mtg. Institute	7½%	....	July 1	100
Rep. of Panama	5½%	1953	June 1	102½
Polish Syn. of Germany Ser. "C"	†6½%	1953	July 1	102½
Mtg. Bk. of Chile	†6½%	1957	June 30	100
Do.	†6¾%	1961	June 30	100

*Called in part.
†Or before.

Western Savings Reports Arrears Less Than $100

Statement of condition of Western Savings & Loan Association as of April 30, 1931, shows assets at $202,846 with first mortgages valued at $193,762, Dominion of Canada bonds at $5,568 and cash at $3,416.

The liabilities to certificate holders are $156,395, making a surplus in favor of certificate-holders of $46,451.

W. S. R. Wilson, secretary, states that the securities of the association are in excellent condition at the present time. The actual arrears of interest at the end of April were reported at less than $100, while the appraised value of securities held by the Association were some four times the amount of the outstanding principal and interest.

NEW COMPANY NOW CONTROLS B.C. SYSTEMS

Canadian Western Telephone Co. First Lien Bonds Are Offered

Organization of Canadian Western Telephone Co. for the purpose of acquiring three telephone companies in the interior of British Columbia has been announced and an offering is being made of $575,000 5½ per cent first lien sinking fund bonds, series A, which mature July 1, 1956. None of the companies acquired has any funded debt or preferred stock outstanding and Canadian Western Telephone Co. will own practically all of the common stock. Control of this company is held by Canadian Public Service Corp.

The three companies affected are Okanagan Telephone Co., Solar Telephones Ltd. and Summerland Telephone Co., which provide a non-competitive service to various cities and towns in the Okanagan Valley. The cities and towns served include Penticton, Kelowna, Peachland, Summerland, Vernon, Armstrong, Enderby, Salmon Arm and Revelstoke. The three subsidiary companies have been in operation for some 20 years and operate nine exchanges with 5,200 connections.

Consolidated earnings of the newly acquired subsidiaries have averaged $97,211 annually during the past three years ended March 31, 1931. In the year ended March 31, 1931, gross income is reported at $196,156; operating expenses amounted to $97,512 and net income amounted to $98,643, available for interest and depreciation.

$575,000
CANADIAN WESTERN TELEPHONE CO.
5½% 25-YEAR FIRST LIEN SINKING FUND GOLD BONDS, SERIES "A"

To be dated: July 1, 1931; to mature: July 1, 1956.

Interest: 5½% payable semi-annually, July and January 1 at any branch of the Bank of Nova Scotia in Canada and at any branch of the Royal Bank in British Columbia.

Denominations: $1,000 and $500, coupon bonds, registerable as to principal.

Redeemable: In whole or in part at option of the company on any interest date at 60 days' notice at 105 to July 1, 1936; thereafter at 104 to July 1, 1942, thereafter at 103 to July 1, 1946; thereafter at 102 to July 1, 1951, and thereafter at 101 to maturity.

Sinking fund: Commencing July 15, 1932, at the rate of $12,000 per year.

Security: The present issue constitutes the only present funded debt of the company and its subsidiaries. Additional bonds of series "A" or other series, may be issued subject to restrictions of the trust deed.

Capitalization (on completion of present financing)

	Authorized	To be Outstanding
5½% 1st lien bonds	*	$576,000
Common, n.p.v.	10,000 shs.	†10,000 shs.

*Additional bonds may be issued only under restrictions of the trust indenture.
†To be owned by Canadian Public Service Corp.

Offering: $575,000, May, 1931, at 97.35; to yield 5.70% by Pemberton & Son, Vancouver, Ltd. and syndicate.

Loblaw Profits Gain Slightly

Loblaw Groceterias Co. had sales in the four weeks ended May 2 of $1,245,511 as compared with $1,362,767 for the same period in 1930, a decline in dollar value of 8.60 per cent. Profits, however, at $72,934, show a decline of only $844 or 1.14 per cent.

Sales for 48 weeks to May 2 of the company's fiscal year ending May 30, 1931, reached $15,724,236 while in the same period of the previous year sales amounted to $17,061,601, a decline in dollar value of 7.84 per cent. Profits in the same period were $958,975 as against $951,163 in the preceding year, a gain of $7,812 or .82 per cent.

The slight increase in profits in spite of the drop in dollar totals of sales is understood to have resulted from the fact that physical volume of goods sold actually increased, permitting profits to be maintained in spite of considerable drops in price.

MARKET EASES; DEMAND LACKING FOR MUNICIPALS

Windsor Returns Bids—New Alberta Issue is Offered

For the first time in many months there were no new municipal bond sales the past week, due in part to the diversion of activities of bond dealers caused by the conversion loan and in part to celebration of a national holiday. Windsor, the only city to call for tenders in the interval, received two offers which were returned unopened.

Prospects for an active market in municipals in the immediate future are not regarded as particularly bright according to general opinion. Investment houses are reported to have a good supply of bonds of this class on hand and will be more concerned with reducing inventories than in acquiring new securities. It is expected, however, that there will be extremely active bidding on an issue of $347,000 4½'s due June 30, 1951, of Peterborough. It is probable that the highest grade issues will continue in good demand but that offerings of lesser merit will be the most affected by lack of interest.

Albertas Sell Lower

Sale of $3,000,000 4½ per cent bonds of Alberta, due April 1, 1961, at 97.98 to yield 4⅝ per cent draws attention to the trend of the market on western provincial issues. The current offering is identical in detail with an issue of $2,000,000 sold by the province in March and which were offered at that time at 98.75 to yield 4.58 per cent. It is understood that sale of the March issue was slow at that price which was later revised downward. The $2,000,000 issue has been entirely placed.

There has been a somewhat weaker tone in Canadian bond prices during the past week. Of 39 representative issues, including federal, provincial, industrial and utility bonds there were but nine gains while 19 issues remained unchanged and 11 issues declined. In the previous week there were 22 gains, nine unchanged and but eight which lost ground. Expiration of the period for exchange into the conversion loan brought some reaction in Dominion issues maturing up to 1937 while the 5's of 1943 gained slightly and other issues held firm. The new 4½'s of 1959 were quoted 104¾ bid, 105 asked.

West Canadian Hydro Earnings Up 48 Per Cent

Increase of 48 per cent in net earnings available for interest and dividends is reported for West Canadian Hydro-Electric Corp. for the nine months ended March 31, 1931, as compared with the corresponding period ended March 31, 1930. Gross revenues for the period were up by 17 per cent and operating costs were reduced 16 per cent.

The company serves the North Okanagan district in British Columbia with electric light and power, and during recent months has extended its service. The chief extension is a line south of Vernon through the Oyama district on which a number of electrical irrigation pumping units have been installed. This method of irrigation is comparatively new in British Columbia.

Bond Tenders

5 p.m., May 29, Peterborough, Ont.—$347,000 4½ per cent sinking fund debentures dated June 30, 1931 and payable June 30, 1951. Payable at Peterborough City Trust Co. F. Adams, city treasurer.

June 1, Mun. of Restigouche—$15,000, 5 per cent gaol debentures, dated June 1, 1931, due June 1, 1951. Stanislas Blanchard, sec.-treas., Dalhousie, Restigouche County, N.B. (See announcement on page 8).

4 o'clock, June 2, La Tuque, Que.—$9,000, 5 per cent sewer and paving bonds redeemable serially from March 1, 1932, to March 1, 1951; capital and interest payable at Banque Nationale at Quebec or Montreal; $75,000, 5 per cent paving, aqueduct and sewer bonds, due serially from May 1, 1932 to May 1, 1951. Capital and interest payable at Banque Nationale at Quebec or Montreal. P. E. Qiberdy, sec.-treas.

8 o'clock, June 2, Village of Belle River—$8,500, 6 per cent waterworks debentures, dated June 1, 1931, redeemable annually within 20 years, from 1932 to 1951. Mederic Forget, clerk. (See announcement on page 8).

June 15, New Waterford—$100,000, 5½ per cent 20-yr. debentures, dated May 15. W. J. Hinchey, mayor. (See announcement on page 8).

June 8, City of Sherbrooke.—$80,000, 4½ per cent, 22-year serial bonds. A. Deslauriers, clerk.

June 10, Town of Terrebonne.—$20,000, 5 per cent, 20-year serial bonds. O. Vezina, sec.-treas.

Bond Sales

ALBERTA

A syndicate composed of Wood, Gundy & Co., Dominion Securities Corp., A. E. Ames & Co., and Imperial Bank has purchased privately $3,000,000, 4½ per cent bonds of Alberta, due April 1, 1961. Offering is being made at 97.98 to yield 4⅝ per cent. Bonds are payable in Toronto, Montreal, Edmonton, Winnipeg, Calgary or Vancouver, at the Imperial Bank or in New York City at the Manhattan Trust Co. The bonds constitute a new issue additional to a similar issue sold in March to the amount of $2,000,000.

WINDSOR, ONT.

Tenders for $827,233, 4½ and 5 per cent installment debentures of Windsor, called for opening on May 23, were returned unopened with the statement that "the finance committee decided that it would not be advisable to open tenders at this time." It is understood that only two syndicates tendered for the issue. R. A. Daly & Co., Matthews & Co., and Bank of Nova Scotia formed one syndicate; McLeod, Young, Weir & Co., and Bell, Gouinlock & Co., the other.

Summary of Week's Annual Reports

A brief analysis of common stock earnings per annual statements received since last week's issue. Earnings per share are shown in brackets when they are before depreciation or income tax, or both, as indicated against "net income." The market price is the close on Tuesday this week, or last sale. Company name in bold type indicates listed stocks. The net income shown, is before preferred dividend, if any.

Company	Year end.	Net income		Common share earnings		Curr: divd.	Surplus after dividends		Mkt.	Mkt. times earn.	Yield
		1930	1929	1930	1929		1930	1929			
Avalon Telephone	Dec. 31	47,961	42,080	2.11	1.49	1.75	3,416	99	...	...	...
King Edward Hotel	Dec. 31	d389,773	5,546	...	...	...	d389,773	d84,454	...	...	...
Loew's London Theatres	Jan. 3	15,940	47,096	...	.47	...	15,940	d6,522	...	...	...
Marcus Loew's Theatres	Jan. 1	52,298	118,934	.87	9.75	...	29,411	73,161	30	34½	...
Standard Chemical	Mar. 31	18,609	135,800	.50	3.64	*1.00	d18,668	23,969	8	16	12.5
Thrift Stores	Mar. 31	†57,245	‡39,098	†1.30	(1.18)	...	26,095	‡29,094	...	...	...
Trinidad Electric	Dec. 31	104,228	105,233	.43	.44	...	75,128	47,033	...	...	...
Tuckett Tobacco	Mar. 31	729,016	634,626	23.56	19.78	4+2	439,016	344,626	...	...	...

*Not regular: 1.00 declared payable June 26, 1931, for 1931 fiscal year. †After deducting $19,373 inventory and other adjustments incl. income tax. The company deduct this from previous year's surplus. ‡Before income tax. d—Deficit or loss.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Provincial—	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Alberta	May 26	Wood, Gundy & Co., Dominion Securities, A. E. Ames & Co., and Imperial Bank	4½%	1961	$3,000,000	*97.98	4⅝%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Can. Western Telephone Co.	May	Pemberton & Son, Vancouver, Ltd., and syndicate	5½%	1956	$575,000	97.35	5.70%
Consolidated Gas Co. of New York	May 26	National City Co.	4½%	1951	60,000,000	101	.....
Stock Issues—							
London Internat'l Trustee Shs.	May	London Internat'l Distributors	Series "A"		....	....	.....

*Offering price.

LONDON GROUP SPONSORS TRUST OF FIXED TYPE

Portfolio Contains Twenty Stocks; Will Terminate in Five Years

A new fixed trust of the capital accumulative type, sponsored by Canadian interests, is being currently offered in London International Trustee Shares, series A. Trust shares represent an investment in the common stocks of 20 companies of which four are Canadian. No elimination or substitution is permitted of stocks included in the portfolio. The trust will terminate on May 1, 1936, or may be terminated on May 1 of any year by a two-thirds vote of all shares outstanding. The depositor company is London International Distributors Ltd.

Each trust unit, representing 1,000 trust shares, series A, includes 114 shares divided among the 20 companies represented. Not more than 5 per cent of the investment is placed in any one company, while the various stocks in the portfolio represent some 12 different industrial or commercial groups with greatest weight being placed on utilities, rails and chemicals. Five public utility stocks comprise over 24 per cent of the invested funds, three railroads comprise 17 per cent and two chemicals, 10 per cent. The Canadian stocks included in the portfolio are Bell Telephone Co. of Canada, Canadian Pacific Railway, Dominion Bridge Co. and Royal Bank.

Canada Trust Co., London, Ont., is the trustee for the trust and is authorized to make semi-annual disbursements May and November 1 to shareholders from the regular and extra cash dividends received, proceeds from the sale of fractional shares of stock received through stock split-ups and cash received from the sale of all rights and other non-cash distributions. All full shares of stock received from stock dividends or stock split-ups are to be added to the portfolio.

Trust shares are issued in denominations of 10 shares and upwards in bearer coupon form, registerable as to principal in denominations of 100 shares or over. Holders of 1,000 trust shares may convert at any time into the underlying stocks plus cash accumulations without charge other than Government, stamp, transfer and other taxes.

The selling price of the shares is based on current market quotations of the deposited stocks at odd-lot prices, accumulations, a service charge of 25 cents per share for issue and deposit plus 5 per cent of the sale price for cost of distribution. Accumulations are added after all charges have been computed and the offering price is adjusted to the nearest eighth. The depositor receives no further compensation during the lifetime of the trust. The trustee's fees are stated to be paid in advance for the five-year duration of the trust. The trustee is stated to have no lien on the deposited property and will make no charge on trust share holders other than for registration, exchange or issue of new certificates or incidental expenses as provided under the terms of the trust agreement.

The stocks in the unit underlying each 1,000 trust shares are as follows:

No. Shares	Company
10	Canadian Pacific Railway.
3	Southern Pacific Railway.
2	Bell Telephone Co.
8	Chesapeake & Ohio.
2	American Can.
8	National Dairy Products.
4	General Railway Signal.
5	Dominion Bridge.
1	Royal Bank.
10	General Motors.
5	Union Carbide & Carbon Co.
3	E. I. Dupont de Nemours.
5	General Electric.
2	United States Steel.
3	Consolidated Gas of New York.
10	United Gas Improvement.
6	Pacific Gas & Electric
2	American Tobacco "B"
20	Niagara Hudson Power.
5	Woolworth (F. W.)

Twin City Shareholders Queried on Merger Plan

Mark Wolff, who heads the proxy committee which has been sending a questionnaire to shareholders of Twin City Rapid Transit Co., announces that the majority of those answering desire to see their company merged with some large public utility holding company. Three out of four expressed a desire to exchange their holdings for stock in a large utility concern which would assure them "receiving dividends in cash and having the benefits of up-to-date management as well as market sponsorship."

Forty per cent of the shareholders who answered were in favor of creating a two-year voting trust. Only 850 voted in favor of taking a four-month option for half the common stock at $15 a share, $55 a share being the average price at which they indicated they would be willing to sell their holdings. This is regarded as the average cost to present holders.

The percentages given do not indicate the proportion of stock held by those desiring a change.

Provincial Bank Elects Alphonse Raymond Director

From Our Own Correspondent

MONTREAL. — Alphonse Raymond, head of the firm of the same name which manufactures pickles and preserves, has been elected a director of the Provincial Bank of Canada.

Mr. Raymond is also a director of the Catelli Macaroni Products and a member of several social and service clubs.

Welding a Link--
Between Municipality and Investment Banker

SINCE 1891 THE BOND BUYER has been steadily welding a link of mutual trust and confidence between the States, Provinces and municipalities of the United States and Canada and the investment bankers. For over a decade THE BOND BUYER has carried more municipal bond advertising than *all other financial newspapers combined.* During 1930 it carried *ten times* as much as its nearest competitor.

Daily and Weekly Editions.

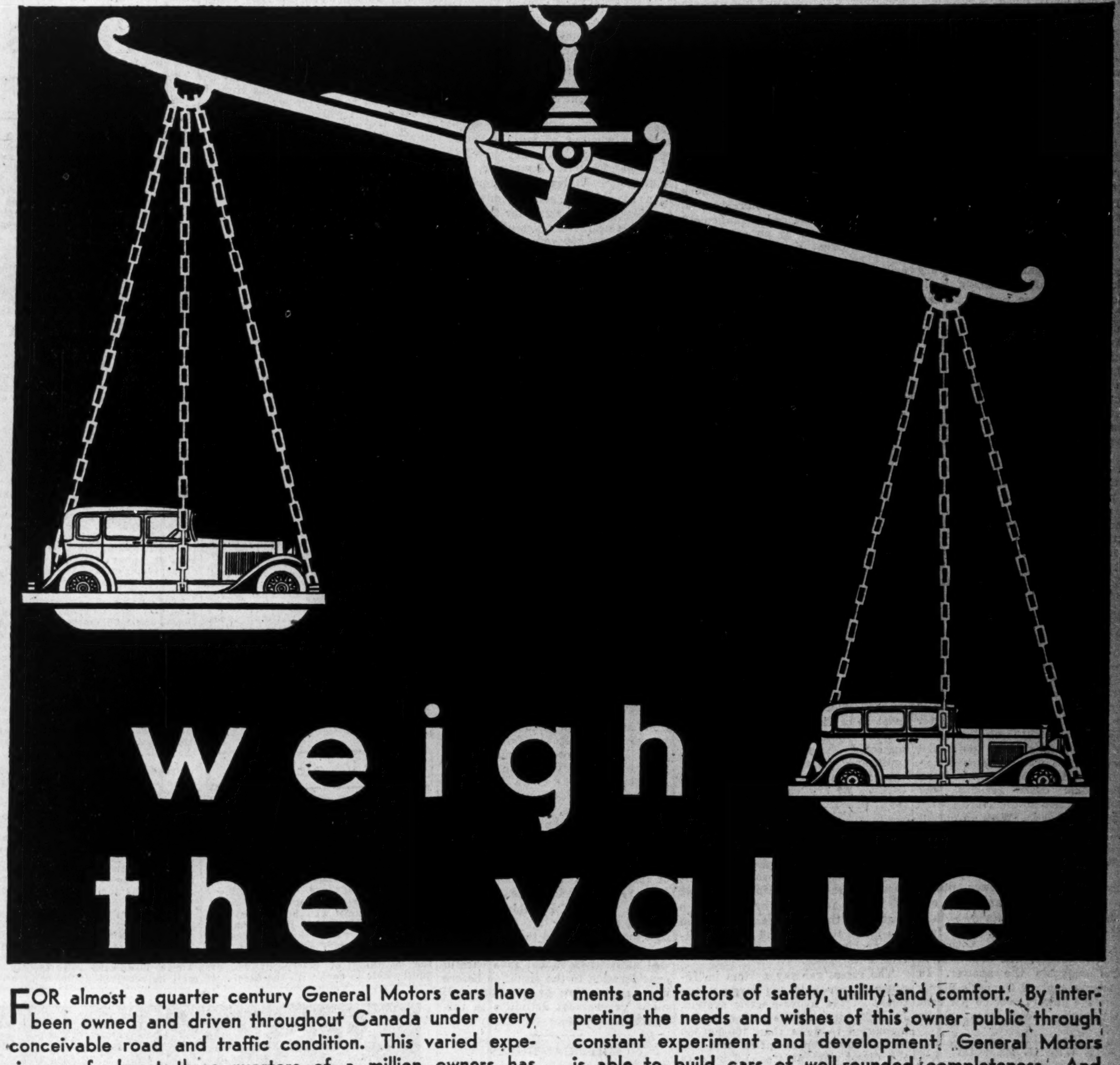
THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

FOR RENT
Bloor - Church
(s-w corner)
STORES
Possession about July 15th.
Full particulars on request from
McWILLIAMS & BROUGHALL
25 King Street West,
TORONTO
ELgin 4182
Exclusive Agents and Managers

Information upon which to base investment decisions is available at all times through consultation at our offices or by mail. Or, we will be glad to send you our list of offerings. Each of the securities included in this list is, after full investigation, recommended by us as a sound investment in its class. We invite your inquiries.

The National City Company
Limited
Head Office — 360 St. James Street — Montreal
320 Bay Street TORONTO
85 Sparks Street OTTAWA
65 St. Anne Street QUEBEC

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON, CANADA
60 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. *Applications invited.*
A. M. SMART, *President.* T. H. MAIN, *Manager.*



FOR almost a quarter century General Motors cars have been owned and driven throughout Canada under every conceivable road and traffic condition. This varied experience of almost three-quarters of a million owners has directed and aided General Motors of Canada, Limited, in the improvement of design and construction, as well as the determination of styles, types, appointments and factors of safety, utility and comfort. By interpreting the needs and wishes of this owner public through constant experiment and development, General Motors is able to build cars of well-rounded completeness. And thus a vast and far-flung owner experience makes its contribution to the outstanding values in General Motors cars.

GENERAL MOTORS PRODUCTS OF CANADA, LIMITED

GENERAL MOTORS CARS HAVE OUTSTANDING VALUE

MODELS AND PRICES
General Motors cars include 5 makes and 100 models priced from $610 up to $15,000, list at factory, Oshawa, Ont.

BODIES BY FISHER
General Motors cars are equipped with beautiful, richly appointed Fisher Bodies, of wood and steel construction.

OWNER SERVICE POLICY
The broad provisions of this policy give the owner safeguards that are the most generous in the industry.

TIME PAYMENT PLAN
Any General Motors car may be purchased under the GMAC low-cost time-payment plan.

CHEVROLET + PONTIAC + OLDSMOBILE + McLAUGHLIN-BUICK + CADILLAC + GENERAL MOTORS TRUCKS & COACHES

THE FINANCIAL POST

Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO. LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

THE FINANCIAL POST BUSINESS YEARBOOK. Yearly, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.

THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.

THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.

THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly $10.

TORONTO, MAY 28, 1931

RADIO BROADCASTING NEEDS SELF-POLICING

SOME of the radio broadcasting stations that have been most active in opposing government radio are utilizing practices that must inevitably strengthen the hands of those desiring nationalized broadcasting. By way of example, there is in Toronto one station that permits certain advertisers to broadcast sales messages over the air without the shadow of any entertainment or educational feature in connection with their programmes. Sandwiched in between other more or less useful programmes, this station puts on the air short talks on behalf of various advertisers. No radio station has any moral right to permit the valuable privilege given to it, when it is assigned an air channel, to be used for the type of commercial work that recognizes no sense of public obligation. Stations that do this are hanging the noose of public ownership around their necks and there will not be lacking some propagandist hangman ready to kick the release bolt.

One may ask if the minister of marine, who issues station licenses, exercises any measure of control at all over the policy of stations? The government's department was very quick to take off the air a radio station whose crime was broadcasting minority religious ideas and it should be as alert in suspending the license of a station that puts advertising lingo ahead of public entertainment and instruction. If there were an unlimited number of wave channels the practice might not be objectionable but there are very few channels and they are all crowded.

The Financial Post is not convinced that nationalization of radio will improve broadcasting in Canada and for that reason has not supported the recommendations in the Aird report. But it feels that if privately-owned stations do not manage their programmes with a sense of full responsibility for the valuable public right that is granted to them they must expect the Aird recommendations to be adopted.

JOBS AND POWER RATES

THE census of the power industry in Canada for 1929 has just been published, in preliminary form. The average revenue per kw.h. for electricity sold in Quebec is given as .47 cent. For Ontario the figure is given as .76 cent. The press letter sending out the statistics states that large quantities sold to pulp and paper mills help to bring down the cost in Quebec. But the report itself shows some other reasons why Quebec's electric power averages the cheapest in Canada. With an output of 8,700,000,000 kw.h. Quebec stations had 3,975 employees. With an output of 6,450,000,000 kw.h., Ontario stations had 6,890 employees.

Why did Ontario power plants make so many jobs and pay out $5,500,000 more in wages than Quebec plants paid out? The fact that public ownership, with its political influence, was dominant in Ontario suggests the answer. In 1929 99 per cent of Quebec's power was private power; over 60 per cent of Ontario's power was public power.

THE WRONG REMEDY

FORMATION of two large holding companies to control practically all the newsprint production in Canada may result from the discussions now being held between banking interests and company officials, according to reports from Montreal. This would represent a departure from the earlier plans which called for the union of the independents into a single corporation, and would serve to retain for the industry a greater degree of competition than would be the case if all the units were combined.

But whether the plans call for one or for two companies is unimportant. The significant thing is that an attempt is being made to solve the problems of the newsprint industry by mergers—and mergers are not the way out.

Newsprint paper is our most important manufacturing and exporting industry. Yet the industry of which we were so proud a few years ago is far from prosperous today. We over-expanded it recklessly. We were so assured of our undoubted advantages in the manufacture of newsprint paper that we overlooked possible competition elsewhere. When the effect of over-expansion came in the form of weakening market situation we attempted to maintain prices by combination. Even today when combination has failed—as it has in so many commodities—to maintain prices, further mergers are under discussion. But mergers are not the solution of the newsprint industry's problem. These solutions rather will be found in greater efficiency in operations, lower costs of production achieved through scientific research, assiduous development of markets through sympathetic understanding of the needs and problems of customers, development of new markets and new uses by intelligent merchandising.

CANADA'S PREFERENCES; DO THEY BAR ACTION?

THE probability that the adjourned Imperial Economic Conference in Ottawa, later this year, will achieve little by way of practical result insures at least that failure of the conference will not prove generally disappointing. No one expects much from it; as no high hopes are being raised none can be dashed to the ground.

The reason that no Imperial conference can under present circumstances, get far in the fundamental problem of building Empire trade is that the present preferential tariff structure of the Empire is a barrier to the establishment of a proper system of Empire preferences. When a bank desires to build a fine new building on an old site it does not build a modern structure on the foundation of an obsolete and tottering old building. It plans to build from the ground up. Too much of the discussion on new Imperial preferences has assumed that any action taken should start from the point where the present preferences leave off without correcting the apparent weaknesses and inequalities in the present system.

Taking Canada as representative of the Dominions, the present situation is that this country grants preferences to Britain while Britain in return grants us very limited preferences. It seems to be assumed by the both British and Canadian statesmen that when Great Britain and Canada agree on further preferential arrangements that the existing preferences will remain intact, that concessions granted by Great Britain will take no account of them, but will be in exchange for further concessions by Canada. Obviously no enduring and mutually satisfactory trade agreement can be built on such an unbalanced basis. Moreover, so long as this one-sided arrangement is in force there is no substantial urge for Great Britain to alter its tariff relations with Canada. She now has a preference in Canada that is valuable to her and she enjoys that without reciprocal action. In Canada, Imperial economic partnership is the policy of both of our important political parties. In Britain the whole question is at the mercy of the tides of partisan politics.

Is Canada justified in carrying on a policy that encourages the British people to defer the Imperial preferential arrangements that her industrialists and banking leaders feel are essential to the Old Country's continued position in world affairs? Are we justified in carrying on our own one-sided preferences? Would we not, in fact, advance the cause of Empire trade many steps by wiping out our preferences entirely, putting the whole matter of Empire trade on a business basis?

Such action would no doubt force the whole question to a final issue. It would, no doubt, do more to bring into effect trade cohesion within the British commonwealth than a dozen magnanimous gestures. It would insure that when the stage is reached where practical negotiations must be carried on that Canada will not be in the position of being expected to continue its present preferences, obtaining tariff privileges for its producers only at the expense of and equal to additional tariff privileges by ourselves.

HYDRO AND INDUSTRY

THE recent controversy between the Toronto Transportation Commission and the Toronto Hydro-Electric System concerning the cost of power furnished by the hydro system to the street railway system has implications beyond the immediate problem of these two Toronto civic enterprises.

The street railway system in Toronto is probably the largest customer of the hydro-electric system. In 1929 its purchases of power amounted to more than 100,000,000 kw.h. The average price paid for the direct current was 1.928 cents per kw.h. and for the alternating current, including the cost of converting it into direct current, 1.298 cents per kw.h. The average cost was 1.514 cents. This rate is much higher than is paid by large American street railway systems for their direct current, even higher than that paid by American street railways to concerns manufacturing electric energy from steam.

It would have taken 30,000 domestic consumers to have utilized the same amount of current that was used by the Toronto Transportation Commission and yet the average rate charged the domestic consumer for current was less than that charged to the street railway system.

It has long been apparent to the students of the rate structure of the various publicly owned hydro-electric systems in Ontario that householders, (that is to say small domestic consumers) have been given current at very low rates, whether through a sense of public obligation or for political purposes, while large consumers of power such as industrial plants, water systems and railways, have been charged high rates. An economical basis for the distribution of power would provide that the larger customers would receive the lower rates, because the cost of delivering power to them is so much less than the cost of delivering power to scattered homes throughout a large area. This is decidedly in the interests of the general public for the cost of power is a factor in industrial expense, and if industry is encouraged, by low cost of power, to expand, the benefit spreads through the whole population in the form of increased employment and larger purchasing power.

On other large power systems, industry is encouraged by being granted the privilege of power rates that take cognizance of the large blocks consumed. The political rate structure on the Ontario Hydro-Electric System and its affiliated municipal enterprises is misleading to the general public, who think that by getting fairly low power rates for household electricity they are gaining some benefit. But when this benefit is achieved through higher costs charged to them in other directions and through rates that limit industrial development, the benefit they seem to attain is much more than offset by losses in other directions.

The slowness of industrial development in many Ontario cities as compared with, say, the cities in the Eastern Townships of Quebec may be directly traced to a considerable extent to the public power policy in force in Ontario. Apart from the rate structure, which is unfair to industry, there is another important phase of the matter which must not be overlooked. Power companies in Quebec, British Columbia and Manitoba spend very large sums each year to introduce new industries into the areas they serve. They conduct well organized and efficient industrial development offices which are powerful factors in getting new factories. The provincial hydro system in Ontario, apparently because it does not wish to play favorites between different municipalities does practically nothing in encouraging new industries to establish along its routes. The local hydro systems, which might more logically undertake this work, are virtually inactive.

If the cities of Western Ontario were to consider why their industrial development has been less rapid than the industrial development of the Eastern Townships, they might consider whether or not the factor of salesmanship has not entered into it. The Eastern Townships, the Shawinigan Valley, the Montreal area have been sold by industrial commissioners working for the power companies. The cities of Western Ontario have not enjoyed the benefits of promotion publicity by their municipal hydro-electric enterprises.

The local hydro systems would be wise to consider what they can do to promote factory development in their communities.

WEST NEEDS TREES

THE Dominion Government will bring to an end the tree planting division of the forestry service in Western Canada. From various forestry farms, the chief of which has been at Indian Head, in Saskatchewan, millions of small trees have been distributed to farmers, and have been planted under supervision to form shelter belts and to beautify the surroundings of farm homes. Over great areas the prairie landscape has been entirely altered by the establishment of such plantations, and in travelling through the West there is nothing more pleasing than to see the success that has marked such efforts.

No blame can be attached to the Dominion Government for the discontinuance of such service. With the transfer of the natural resources of the Prairie Provinces to provincial administration the Federal authorities would have little justification for continuing large expenditures in this direction. Indeed, sooner or later the free growing and distribution of trees to be planted would have had to come to an end, to be replaced by private enterprise on a commercial basis. Possibly the impetus toward tree planting has now reached such a stage that the initiative of commercial nurseries can be counted on to supply the needs of farmers, just as soon as there is farm revenue in the West to devote to tree planting. Possibly the realization that after all such things cost money will tend to put a higher value on tree planting. The provincial authorities should give careful consideration to the situation before deciding whether or not they will allow government activities in this direction to cease.

EDITORIAL NOTES

Most conferences called to face a big problem usually end up by just looking at it.

* * *

The Red Menace that Canadians should watch this summer more than ever is the danger from forest fires, which promise to be serious following a comparatively dry winter.

* * *

The wheat conference in London is discussing world control. In an international commodity like wheat, the best form of control is that exercised by competitive forces operating free from governmental restraint.

* * *

"The Reginan," new publication of the Regina Board of Trade, invites industry to Saskatchewan. The West is determined no longer to be a one-crop country, even though its leading crop will continue to be the chief source of revenue for many years.

POST-scripts

WIDER infusion of business methods into education is seen in a full page advertisement recently published over the name of one of the largest universities in the United States. This compelling pupil-getting copy is headed by the question: "Are You Sufficiently Educated?" There are some who do not engender laughter when they sit down to play the piano and others are sufficiently learned to speak to a waiter in French without causing amusement, but who in all truth can say he is sufficiently educated? This is advertising which should increase enrolment substantially and enable the university to speed production and cut costs. To some extent this may have been accomplished by eliminating Latin and Greek from the requirements of a B.A. degree; forceful advertising, however, should help in getting supplies of raw material.

THE contrast between London and New York cannot be better illustrated than by their respective efforts in office construction.

In both capitals the movement is toward larger units in offices, as in industry and in agriculture. Centralization of all services in one building is seen to make greatly for economy and efficiency.

In London, Thames House is nearing completion. In New York the Empire State Building has just been opened. Each is the biggest office-building in its own city. Yet while the Thames House has only eight stories and room for 3,000 workers the Empire State Building has 102 stories and a capacity for 25,000!

The Empire State Building is a "record" skyscraper in a city of skyscrapers. Thames House represents the last word in modern design in a city where Big Business is still conducted mainly in the over-crowded and under-ventilated offices of a past age. The soaring of site values has caused American architecture to climb skyward in search of economy and air. The similar reason in London has caused new areas to be developed as business centres.

Whereas the Empire State Building is built on the site of the Waldorf Astoria Hotel, Thames House stands on the ancient Thorney Isle. Its position gives it a frontage of nearly 200 yards along the Thames. It therefore enjoys an abundance of air, light and, above all, peace and tranquility.

The Empire State Building has a mast for dirigibles. Thames House is prepared to receive seaplanes on its river front while its roof is large enough not only for a helicopter but an airplane.

Changing Habits in Public Diet

Lincoln (Nebraska) Journal

Changing food habits have had something to do with the oversupply in some fields. The following table, which shows what the average person consumes in a year, reveals some of the changes in the last thirty years:

1899		1931
222 lbs.	Wheat	177 lbs.
4 lbs.	Rice	5 lbs.
5 lbs.	Rye Flour	3 lbs.
117 lbs.	Corn Meal	22 lbs.
	Breakfast food	12 lbs.
67 lbs.	Beef	61 lbs.
8 lbs.	Veal	8 lbs.
7 lbs.	Mutton and Lamb	5 lbs.
65 lbs.	Pork	70 lbs.
34 lbs.	Fats and Oils	44 lbs.
1 lb.	Oleo	2 lbs.
20 lbs.	Butter	18 lbs.
4 lbs.	Cheese	4 lbs.
775 lbs.	Milk and Cream	1,016 lbs.
7 lbs.	Oranges	20 lbs.
	Grapefruit	6 lbs.
3 lbs.	Lemons	5 lbs.
107 lbs.	Apples	68 lbs.
3 lbs.	Pears	60 lbs.
14 lbs.	Grapes	21 lbs.
2 lbs.	Canned fruits	10 lbs.
1 lb.	Dried fruits	6 lbs.
32 lbs.	Other fruits	50 lbs.
136 lbs.	Potatoes	98 lbs.
30 lbs.	Sweet Potatoes	37 lbs.
10 lbs.	Canned Vegetables	28 lbs.
90 lbs.	French Vegetables	249 lbs.
10 lbs.	Coffee	12 lbs.
61 lbs.	Sugar	105 lbs.
23 lbs.	Baked goods	58 lbs.
17 doz.	Eggs	18 doz.

The decline in the average consumption of wheat and wheat products is noticeable. It took a considerable increase in the population to keep consumption up to the 1899 total, meanwhile the foreign markets have been demanding less and less and production has been increased enormously. The decline in the consumption of corn meal has also been enormous and beef has lost ground.

Other People's Views

Where Financiers Fail

World's Press News, London—The purchaser of the Sunday Referee is a financier who has not hitherto been actively connected with the newspaper world. In recent years experience has shown that financiers who enter into journalism have not always been successful. Newspapers have a soul—a fact which some proprietors forget. Many financiers who buy newspapers have no live interest in journalism, and newspaper proprietorship is not only a difficult business, but a profession. Those who follow it must understand the mentality of newspaper workers and be able to cope with the fancies of the public. If the smell of printing ink is not perfume to you, you cannot produce a successful paper. Mere financiers who hope to follow in the footsteps of the Berry's, Beaverbrooks and Rothermeres have not, as far as recent experience goes to show, great expectations of success.

AUSTINGRAM

$ and ¢ and The Austin Method

Every year more and more leading firms recognize the dollar and cents value of The Austin Method for the design and construction of new plant projects or for modernizing. The Austin Method of Undivided Responsibility covers the complete job from preliminary plans to finished buildings. One contract guarantees in advance a low total cost; completion at a definite date, with bonus and penalty clause if desired; high quality of workmanship and materials. Why not have the facts and figures—without obligation. Phone or write for a copy of "Building for Canadian Industry."

THE AUSTIN COMPANY, LIMITED
ENGINEERS THE AUSTIN METHOD BUILDERS
1307 CANADA PERMANENT BUILDING
TORONTO
PHONE WAVERLEY 2496

Calvin Coolidge Says:

Copyright, 1931. All Rights Reserved
Published by special arrangement with The McClure Newspaper Syndicate

APPARENTLY it will again be demonstrated that the worst things do not happen. Much anxiety has arisen over international differences concerning the proposed customs union between Germany and Austria. A serious impasse was feared when the question came up for discussion among the powers at Geneva. But without difficulty five most vitally interested nations have indicated that the preliminary subject of legality should go to the World Court.

It would be difficult to provide a better illustration of the great importance as an instrument of goodwill and peace of that high tribunal. Germany and Austria claim a right to make a treaty. Other nations claim that such action violates a treaty made with them. With the present state of European feeling a diplomatic decision would be most difficult. But the interpretation of treaties is usually the clearest kind of judicial question. It appears so in this case. As a result of the existence of a court of competent jurisdiction instead of a long dispute with a threat of force over technicalities we have the orderly process of reason and law. Such a settlement of international disputes is of inestimable value.

IF CONTINENTAL Europe can work out some plan for economic unity it will be of much profit to the world. The difficulties are great. The main approach to economic unity has been through political unity. That was what made the United States. The political co-operation exercised through the League of Nations has been helpful but it has been far from abolishing age-old race and national antagonisms.

The rivalries that exist among different sections of the United States would certainly result in independent antagonistic action if they were not restrained by a strong central government. Perhaps European states can conquer a more impetuous tendency. If it is done, there will be a large enough population with a common interest to furnish better support for mass production. The present inability of the Continental countries to market such production is their peculiar weakness. A tariff fails to help them in the way it helps the United States. A strong and prosperous Europe, so peaceful in response to mutual interests that it can raise the living standards of its people, should be welcome everywhere.

ONE of the wise men of the United States said that experience is a hard school, but some can learn from no other. In 1914 some of the nations concluded they would no longer bear what they thought were the threats and arrogance of their neighbors. Others conceived there was a short way through war to glory, aggrandizement, and world power. Out of four years mutual suffering people came to a better political understanding of international relations. They learned the wisdom of patience and forbearance. The political world is on a firmer foundation.

In the short era which culminated in 1929 the economic world became convinced that there was a short way to riches and power through expansion, inflation and speculation. A season of great avarice and extravagance brought the inevitable reaction of loss and suffering. Just as the political situation had to be liquidated, so the financial situation had to be liquidated. We may well be thankful it is not worse. Out of our chastening we shall emerge with less speculative and more balanced production. Economic life will be more logical and better controlled. The financial world will be on a firmer foundation.

CALVIN COOLIDGE.

Wages

Brief Views and Happenings From Week to Week

Montreal Harbor Board have decided to reduce the salaries of Harbor Commission employees, effective on June 1. All members of the port staff receiving over $2,000 a year will suffer a cut of five per cent., while two officials will experience a reduction of 10 per cent. Ninety or perhaps a hundred employees would be affected by the downward revision of the salary schedule.

Holding that a wage cutting policy "will positively contribute toward a continuation" of the existing unemployment situation, the executive council of the American Federation of Labor recently issued a declaration in opposition to reduction of wages.

The council's statement, which was a rejoinder to the agitation of certain banking interests for wage cuts, served notice that the American Federation of Labor will urge all workers, both organized and unorganized, to resist to the fullest extent any attempt to reduce wages.

Peninsular & Orient Steamship Line ("P. & O.") has reduced wages of all employees, including the chairman and managing directors 10 per cent, effective August 1.

A claim that wages in the rubber industry have not been reduced to the extent of declining living costs was the reply of Paul W. Litchfield, president of the Goodyear Tire & Rubber Co., to the criticisms of the American Federation of Labor's executive council, in citing Goodyear and the B. F. Goodrich Co., as employers effecting recent wage reductions.

"The matter of getting men now unemployed back to a wage earning position is of first importance to the return of prosperity," Mr. Litchfield said. "If men now employed should receive less per hour than they receive during normal times, employers no less than employees are tremendously concerned to see that such reductions are less than the reductions in the cost of living.

"It is more important to maintain the standard of living than to try to maintain a fixed relationship to dollars per day in a time when the buying power of the dollar is changing."

Standard Statistics, in viewing the wage outlook at Washington, says in its current bulletin:

"The preponderant influence of Washington is against wage cuts. The motive is partly economic, probably mainly economic, but there is a side-motive of politics. It is a well-established fact that men vote their economic dissatisfactions at the political polls, and the polls of 1932 are steadily approaching the scope of the political vision.

"No one in Washington pretends to say precisely how far wage cuts can go without disturbing business, meaning purchasing power. Everyone admits that there are certain industries where downward adjustments might well be accepted by labor in order to reduce production costs and increase consumption. It is extremely difficult, however, to figure how much consumption might be increased if the wage costs in the product were moderately lowered."

George E. Roberts, vice-president of the National City Bank of New York, in an address to the Illinois Manufacturers Cost Association at Chicago recently, predicted that wages must be readjusted downward to bring about an equilibrium in industry and restore prosperity. He said:

"Nobody likes to say anything about the reduction of wages. Our leading industrialists generally have taken a position against wage reductions and I think their attitude does credit to their sentiments and inclinations.

"Meanwhile a great reduction of actual wage payments has occurred. The man who is out of a job certainly has his wages reduced, and the man who is working only three or four days a week has had his wages reduced. But such reductions do not reduce the cost of production or the costs of living; therefore, they do not stimulate consumption or increase employment. They do nothing to restore the equilibrium which is necessary to prosperity.

"I do not say that wage readjustments are necessary to a revival of business; perhaps it will come in time without them. I do not believe that anything can prevent the gradual advance of real wages as the productivity of industries increases, but the equilibrium in industry must be restored in order to have full employment and real prosperity. The normal relationship between the industries must be restored and when it is restored there will be prosperity for all."

Canadian Government
Provincial, Municipal
and
Corporation Securities

R. A. DALY & CO.
LIMITED
80 KING STREET WEST
TORONTO

Protecting Income

The ready absorption of recent flotations in the bond market is an indication of an increasing demand for high grade bonds, to assure a steady income from available funds.

Suggestions on request.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

Serving Canada's Baking Industry for more than sixty years

FLEISCHMANN'S
BAKERY SERVICE

Fleischmann's Yeast : Fleischmann's Baking Powder
Fleischmann's Arkady . Fleischmann's Panomalt

Quality Products of
STANDARD BRANDS LIMITED
HEAD OFFICE. MONTREAL

A Canadian corporation operating Canada's largest fresh food delivery system

MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products • Fleischmann's Yeast for Health
Magic Baking Powder • Gillett's Lye • Royal Yeast Cakes
Chase & Sanborn's Tea and Coffee

Over 50,000 sq. ft. of Barrett Specification Roofs (Type A. Bonded for 20 years), Barrett Bonded Flashings and Holt Roof Connections protect the plant of the Northern Electric Co., Ltd., Montreal, P.Q. Architect: Northern Electric Co., Ltd. Gen'l Cont.: The Foundation Company of Canada, Ltd. Roofers: Campbell-Gilday Company, Ltd. All of Montreal.

To be followed is to lead . . .

In 1905 Barrett made up the famous Barrett Specification. Standard for roof construction then, it is still standard today.

Fifteen years ago Barrett initiated the practice of bonding roofs against repair and maintenance expense.

Barrett made the first offer of complete roof inspection service.

Barrett was first to bond flashings.

Barrett was first to establish an organization of Approved Roofers — a group of the outstanding roofing contractors.

The consistent leadership characteristic of The Barrett Company, Ltd., has always been and will continue to be an assurance of satisfaction to Barrett customers.

When you buy a Barrett Specification you buy the finest pitch and felt that can be made — plus expert application by skilled Barrett Approved Roofers, and Barrett's unmatched roof inspection service.

BARRETT COMPLETE ROOF SERVICE

The Barrett Company, Ltd. offers a complete roof service which includes the famous Barrett Specification Roof (Bonded for 20 and 15 years); Barrett Red Star Roofs; Barrett S. I. S. Roofings; Barrett Bonded Flashing Blocks and Forms; and Holt Roof Leader Vent Connections. For advice on any roofing or water-proofing problem, consult with us or the Barrett Approved Roofer nearest you.

The Barrett Company
LIMITED
Montreal Toronto Winnipeg
Vancouver

Barrett Specification Roofs

RSC

Investment Opportunities

Attractive yields are currently offered by investments carrying fixed interest and dividend rates. By placing funds in selected Bonds and Preferred Shares at present prices, satisfactory income returns can be assured for extended periods. The exchange of short-term securities for those of longer maturity merits consideration.

We shall be pleased to submit our recommendations.

Royal Securities Corporation
Limited
244 St. James Street
MONTREAL
330 Bay Street
TORONTO 2

Offices in principal cities throughout Canada

N-7

ARLAC DURODERMA
STENCILS
WILL IMPROVE YOUR COPIES
Headings stocked for Edison Dick Mimeograph
Gestetner Duplicator, Rotospeed, etc.
STENCILS LIMITED
300 St. Sacrament St. Montreal
Working samples forwarded on request.

NO OTHER LOW-PRICED TIRE HAS THESE ADVANTAGES!

Take no chances with low-priced tires of unknown quality. Equip with Oldfield tires—made and guaranteed by Firestone to give you long, dependable mileage. Only Firestone-Oldfield tires have these advantages:

1. *Gum-Dipped Construction*
Increases tire life from 25%—40%

2. *New Double Cord Breaker*
Eliminates road shocks and gives added insurance against punctures and blowouts.

3. *Scientific Tread*
—made of tough, long-wearing rubber to give the utmost traction and safety.

1
2
3
EVERY FIBRE INSULATED WITH RUBBER

Your nearest Firestone Dealer carries a complete stock of Firestone-Oldfield tires — he serves you better and saves you money. See him today.

Firestone
OLDFIELD TIRES

Increasing Your Capital

Many securities may now be purchased at prices below their value.

Such an opportunity may not occur again for many years.

To aid in taking advantage of this opportunity, The Financial Post has just published a new book on the fundamentals of investing money.

The title of the book is "How to Invest for Profit." It discusses stocks and bonds—how they can be judged and how they should be bought—how to deal with brokers, etc. It covers the problems of different types of investors. As well it contains a compendium of financial and investment terms, table of stock yields, bond interest rates, stock exchange commission rates, etc. It is a valuable book for every investor to have.

"How to Invest for Profit" sets out clearly and simply the proven principles of investing.

The Financial Post, as a weekly financial newspaper, tells the facts which investors need about individual securities.

You should have them both. Use the coupon below if you wish to take full advantage of the opportunities for building up your capital at the present favorable time.

A SAFE WAY TO START

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please enter my name for:

☐ "How to Invest for Profit"—$1.00.

☐ The Financial Post—$5.00 a year.

Enclosed is $................in payment.

Name ....

Address 664

Business Conditions in Canada

The Week in Business

Need for Distribution Census
Wheat Movement Encouraging

NEXT week wholesalers, retailers and service establishments accross Canada will have their first opportunity to participate in a nation-wide trade census which it is hoped will give Canada for the first time, a much-needed statistical picture of distribution in this country. Every wholesale, retail and service establishment is urged to co-operate so that the individual contribution of each may be welded into an accurate report concerning employees, wages, sales, expenses (other than costs of goods) type of store, capital investment and inventories. These are data about which Canada has been lamentably ignorant in the past, but every effort is being put forward by the Dominion Bureau of Statistics to correct this lack by seeking the co-operation of merchants and distributors at this decennial census period. It is probably needless to reiterate that complete secrecy surrounds each individual return, but it is important to emphasize on each distributor the urgent need for every possible cooperation in this vital national undertaking.

DELEGATES from eleven wheat-growing nations concluded their deliberations at London last week and "established the principle of international co-operation among the wheat growing and food producing countries of the world." Whether that, means anything seems very doubtful at this range although subsequent events may reveal that the meeting had some usefulness in providing better facilities for the clearing of information between exporting countries. What is of real interest to Canada, however, is the continued movement of wheat from our shores, which, in spite of low prices, must nevertheless, be considered highly encouraging. Thus, although the 1930 crop was approximately 33 per cent higher than that of the previous year, wheat stocks on hand at the middle of May stood at 146,000,000 bushels, or 15,000,000 bushels less than at this time a year ago. Incidentally the May, 1931, figure is just 40 per cent of our estimated elevator capacity and refutes the statements made recently that our granaries were still bulging to the brim with wheat.

OUTPUT OF BUTTER UP 17 PER CENT IN FIRST QUARTER

1930 Production 5 Per Cent Above 1929—Cheese Shows Drop

Production of creamery butter in Canada during 1930 showed an increase of 5.2 per cent to 183,854,000 lbs. according to preliminary figures prepared by the Department of Agriculture at Ottawa. All provinces with the exception of Prince Edward Island, and Saskatchewan showed an increase in production. Figures are also given showing factory cheese production in 1930 which is placed at 117,386,000 lbs., as compared with 118,646,000 lbs. the previous year. Estimates for the first three months of 1931, show an increase in butter production of 16.9 per cent over the same period in 1930.

Imports of butter which were 24,203,633 lbs. in the first three months of 1930 dropped to 1,674,500 lbs in the first three months of 1931. Average monthly consumption is estimated at 24,619,500 lbs, and after making calculations for stocks in store, exports and imports, the figure for the first quarter's production is 56,907,500 lbs., as compared with 48,658,500 lbs. in the same period a year ago.

Reports received from various provincial officials indicate that in March, Ontario production increased nearly 24 per cent; in April, Saskatchewan production increased 93 per cent and that butter fat received at creameries in Manitoba during April increased 61 per cent and from Alberta, 80.7 per cent.

Comparative figures of production of creamery butter and factory cheese in 1929 and 1930 are as follows:

Creamery Butter	1930 (Lbs.)	1929 (Lbs.)
Pr Ed. Island	1,771,597	1,883,292
Nova Scotia	4,724,118	4,286,531
New Brunswick	2,032,173	1,860,173
Quebec	62,146,851	57,569,163
Ontario	62,000,000	59,185,194
Manitoba	15,786,896	15,472,109
Saskatchewan	13,750,000	14,786,205
Alberta	17,500,000	16,004,463
British Columbia ...	4,142,651	3,677,335
Total	183,854,186	174,724,465

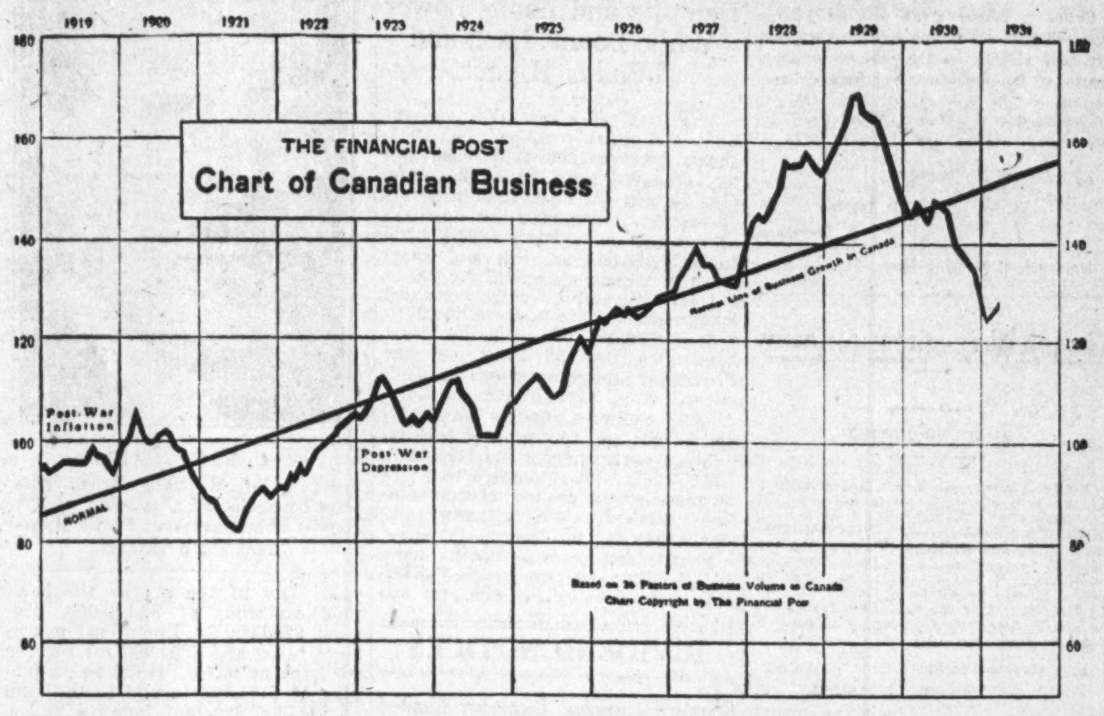
Factory Cheese	1930 (Lbs.)	1929 (Lbs.)
Pr. Ed. Island	950,579	1,391,603
Nova Scotia	....	18,867
New Brunswick	606,892	578,493
Quebec	33,874,035	35,156,871
Ontario	79,700,000	79,816,828
Manitoba	560,008	500,426
Saskatchewan	150,000	142,024
Alberta	980,000	1,001,475
British Columbia ...	564,833	39,452
Total	117,386,347	118,646,039

Business Briefs

Car Loadings advanced slightly in week ended May 16 as compared with the previous week due chiefly to increased loadings of coal and grain. Lumber and pulpwood also gained slightly while other classes of freight declined in volume, merchandise, in less than carload lots and livestock showing the most severe drops. Compared with the corresponding week of 1930, loadings were down some 19.6 per cent., while the cumulative total for 1931, to date, is 17.2 per cent under the corresponding figure for 1930, and 24.8 per cent under the volume in the same period of 1929.

Wheat Stocks in Store on May 15 amounted to 146,082,871 bus. as compared with 152,418,424 bus. at the end of the previous week and 161,339,047

Business Made Further Gain in April



Business operations showed further slight gain in April, The Financial Post index being 129.1 compared with 126.8 in March. The index was 15.4 p.c. below computed normal in the month under review, but slightly above the monthly average for 1926, considered at the time as a year of considerable activity. Uneven tendencies in April justify doubts as to whether the trend will be maintained in the immediate future. Construction and the primary iron and steel industry were less active and the textile and rubber industries showed recession from the preceding month. The automobile industry showed marked expansion and carloadings owing to the accelerated grain movement were considerably greater after seasonal adjustment.

April Business Volume Above Average for 1926

Construction and Iron and Steel Plant Activity Runs Counter to General Upward Tendency

By SYDNEY B. SMITH

Volume of business in Canada showed further moderate improvement in April over the level of the preceding month, according to The Financial Post index. The index, at 129.1 in April compared with 126.8 in March, was nearly 2 per cent higher in the month under review. The up-to-date low point of the present depression was touched in February and since that time two gains of moderate proportions have been recorded.

Business operations in Canada are now about 15.4 per cent below normal. The normal line or line of long-term trend was determined from the original index for the period from January, 1919, to the end of 1928. The post-war period was a time of more rapid expansion than in probably any other period of similar duration in the history of Canada. Spectacular gains were made in manufacturing capacity, hydro-electric power development and mining resources. Some reaction from the superactivity of those years would naturally have been expected even without the intervention of a world-wide depression of major proportions.

Business at 1926 Level

It is noteworthy that the index in April was higher than the monthly average for 1926, a year which at the time was considered to be a period of moderate prosperity. The index of 129.1 in April compared favorably with 126.3, the monthly average for 1926. That present operations are slightly in excess of the average during 1926 may be confirmed by the fact that the index of employment as reported by employers on May 1 was 102.2, the index being expressed as a percentage of the monthly average during 1926.

The situation in regard to wholesale prices reflecting international depression is entirely different. The official index with the monthly average for 1926 equalling 100 was 74.5 in April. In other words the level of wholesale prices in the month under review was 25.5 per cent below the base period of 1926. While business operations in April were fully maintained at the level of 1926, wholesale prices have fallen more than 25 per cent.

Future Still Doubtful

While industrial activity rebounded during the first four months reversing the sharply downward trend of the last half of 1930, there is no guarantee that the present gains will be extended in the immediate future. Business sentiment has been adversely influenced as a result of the continued heavy liquidation on the stock markets. The interconnection between industrial stock prices and the trend of business is usually close and a weak market generally leads to caution in business commitments.

The construction industry failed to obtain new business equivalent to seasonal expectations. Instead of the normal gain an actual decline was shown in the value of awards from the level of March. The gain in building permits was less than normal for the season. The decline in the operations of the primary iron and steel industry was greater than normal for the season. While recessions of 5.2 per cent and 1.4 per cent respectively, in the output of pig iron and steel were of moderate proportions, even a slight decline in a strategic industry has special significance.

Imports of raw cotton and wool, indicating conditions in the textile industry, showed reduction from the high totals of the preceding month, but were still in good volume. Crude rubber was imported in lesser amount and employment engaged in the manufacture of rubber products showed recession.

Motor Production Bright Spot

The gain in the output of automobiles was one of the bright spots of the month. The gain in production after seasonal adjustment was 24 per cent, the output being 17.159 units. A marked decline in the imports of crude petroleum is normal for the season. The reduction this year was less than usual and the consequent index after seasonal adjustment showed a gain of 10 per cent in April.

April Building Permits 18.8 p.c. Under 1930 Fig.

Building permits issued by 61 Canadian cities in April had a total value of $13,786,466, which compares with $16,978,076 in the same month of 1930, a decrease of 18.8 per cent. The cumulative total for the first four months of 1931 is 037,133,365 as against $46,471,338 in the corresponding period of 1930, a decrease of over 20 per cent. The Dominion Bureau of Statistics index of value of permits issued, 1920 figures being taken as a base 100, shows 107.4 for 1931 as compared with 134.5 for the same period of 1930 and 210.1 in 1929. Volume of permits issued is lowest since 1925.

In comparing the value of building permits issued, consideration must be given to the wholesale prices of building materials which have shown a distinct drop in the past year. The average index for 1931 to date is 83.8 as compared with 96.2 in the first four months of 1930 and 99.2 in 1929. This index is based on the 1926 average taken as 100.

STEEL PRODUCTION DECLINED IN APRIL

Output of Ferro-Alloys is Larger—Pig Iron Down 2.7 P.C.

Iron and steel production in Canada during April showed small decreases from the production in the preceding month despite improvement in demand for pig iron and increase in sales of structural steel for bridge building. Total production of pig iron in the first four months of 1931 amounted to 192,889 tons as compared with 304,600 tons in the corresponding period of 1930, while total tonnage of steel ingots in the four months' period of 1931 was 311,163 tons as against 413,378 tons in 1930.

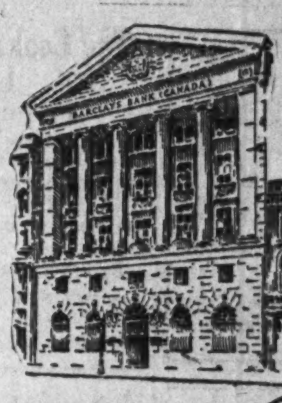
Production of pig iron in April was at the rate of 1,793 tons daily as compared with 1,842 tons daily in March, a decrease of 2.7 per cent. The April tonnage of 53,792 consisted of 46,415 tons of basic iron as against 50,165 tons in March while no malleable iron was produced. Foundry iron increased to 7,377 tons in April from 5,357 tons in March. No change was made in the active furnaces during the month and 44 per cent of the total capacity of all iron blast furnaces in Canada was active.

Production of ferro-alloys was at the highest rate of any month of the year to date at 4,605 tons, an increase of 5 per cent over March output. The production of steel ingots and direct steel castings during April amounted to 91,461 tons, a daily average of 3,049 tons, which represents a decrease of 5 per cent from the daily average of March, but an increase of 64 per cent over the low daily average of 1,858 tons reported for January.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest		Cumulative Jan. 1, to date	
	1931	1930	1931	1930
C. P. R. Gross Earn. (May 21) ..	$2,664,000	$3,314,000	$54,448,000	$64,328,000
C. N. R. Gross Earn. (May 7) ..	$3,818,663	$4,252,358	$62,253,432	$75,744,115
Car Loadings (May 9)	49,745	61,026	904,772	1,084,636
Common Stock Index (May 14) ..	86.1	159.3	......	......
Production—	Monthly			
Pig Iron, tons (April)	53,792	72,339	192,889	304,600
Steel, tons (April)	91,461	102,681	331,037	441,980
Newsprint, tons (April)	205,838	228,048	740,118	832,851
Automobiles (April)	17,159	24,257	46,512	70,923
Boots and Shoes, pr. (Mar.)	1,729,930	1,594,865	3,991,819	4,274,796
Flour, bbls. (March)	1,168,408	1,219,202	3,290,063	3,438,320
Mineral Production—				
Gold, oz. (February)	195,118	145,436	397,903	299,550
Silver, oz. (February)	2,111,765	1,841,836	4,229,435	3,551,058
Nickel, tons (February)	3,346	3,867	6,597	8,481
Copper, tons (February)	11,485	12,113	22,415	24,581
Lead, tons (February)	9,668	15,930	23,958	27,545
Zinc, tons (February)	10,276	10,343	20,433	19,220
Coal, tons (February)	963,443	1,194,710	2,127,941	2,838,332
Natural gas, M. cu. ft.	2,976,140	3,178,862	6,176,140	7,067,379
Petroleum, bbls. (February)	155,651	89,961	335,362	190,457
Automobile Financing—				
Used Cars (February)	$1,405,507	$1,629,460	$2,692,911	$3,368,984
New Cars (February)	$874,840	$1,514,310	$1,784,354	$2,623,781
Construction—				
Building Permits (April)	$13,786,466	$16,978,076	$37,133,365	$46,471,338
Contracts (April)	$22,707,500	$48,778,600	$96,248,500	$139,035,900
Labor—				
Employment Index (April)	99.7	107.8	......	......
Trade—				
Imports (April)	$51,189,376	$71,401,839	$227,932,642	$350,011,903
Exports (April)	$33,935,075	$50,744,139	$177,473,837	$280,536,600
Imports of Key Products—				
Rubber, lbs. (March)	6,747,761	8,457,139	14,892,291	19,861,134
Cotton, lbs. (March)	10,837,000	10,327,000	26,378,000	28,626,000
Sugar, lbs. (March)	54,691,800	34,850,300	121,378,100	103,852,200
Petroleum, crude, gal. (April) ..	47,803,049	47,142,823	239,778,044	264,290,261
Coal, tons (March)	815,429	1,064,780	2,438,864	3,308,654
Exports of Key Products—				
Newsprint, tons (April)	152,360	159,802	650,503	748,030
Automobiles, No. (March)	1,853	6,308	6,544	13,585
Wheat, bus. (April)	4,680,769	3,428,406	37,581,991	26,747,762
Wheat flour, bbls. (April)	326,117	451,395	1,693,699	2,115,567
Electric Power—Output—				
M. Kilowatt hours (March)....	1,413,875	1,515,465	4,234,189	4,468,371
Population—				
Emigration (March)	606	4,115	2,151	11,353
Immigration (February)	2,413	14,576	5,322	21,905
Finance—				
Failures, No. (March)	178	201	606	667
Failures, Liabilities (March)...	$3,184,198	$4,310,085	$11,944,578	$17,091,691
Bank Debits (March)	$2,570,410,694	$3,092,042,070	$7,773,648,825	$9,118,488,109
Bond Sales (April)	$56,927,742	$34,722,638	$249,851,323	$191,680,612
Insurance sales (April)	$45,648,000	$52,708,000	$173,961,000	$195,322,000
Wholesale Prices (1926=100)—				
General Index (March)	75.1	91.8	......	......
Iron and its products	87.8	92.5	......	......
Cottons, raw	62.3	87.1	......	......
Grains	39.7	75.1	......	......
Live stock	81.1	127.6	......	......



Barclays Bank
(Canada)
MONTREAL • 214 ST. JAMES STREET W.
TORONTO • 219 BAY STREET
Affiliated to
BARCLAYS BANK LIMITED
54 LOMBARD ST. LONDON E. C. 3.
A COMPLETE
BANKING SERVICE

Dominion Foundries & Steel
Limited
STEEL PLATE STEEL FORGINGS
STEEL CASTINGS
For Every Purpose
Hamilton Ontario

Dominion Bridge Co.
LIMITED
Montreal, P. Q.

Engineers, Manufacturers and
Erectors of Steel Structures

Head Office and Works
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

Branch Office and Works
Amherst Ottawa Toronto
Winnipeg Calgary Vancouver

Sales Offices
Montreal Toronto Calgary Edmonton
Ottawa Winnipeg Regina Vancouver

MILLION-DOLLAR CONCERNS HAVE TESTED THESE TRUCKS FOR YOU

"Canadian-Built For Canadians"

Million-dollar concerns in your industry and in all leading industries . . . the country over . . . have proved the merit of Dodge Trucks for you. Million-dollar concerns with hauling work similar to your own, and with a desire—identical with your own—for low cost, dependability and able performance. Million-dollar concerns who continue year after year to increase their already large fleets of dependable Dodge Trucks. » » Your Dodge Brothers dealer will gladly show you the impressive list of nationally-known concerns who have put their faith and their dollars in Dodge Trucks. He will also gladly place a Dodge Truck at your disposal for inspection, test and comparison. You will find its price exceptionally low. You will find that balanced design and precision manufacture insure typical Dodge dependability, long life and economy.

THE COMPLETE LINE OF DODGE TRUCKS RANGES IN PAYLOAD CAPACITIES FROM 1,200 TO 11,175 POUNDS—PRICED, CHASSIS F. O. B. WINDSOR, ONTARIO INCLUDING STANDARD FACTORY EQUIPMENT (FREIGHT AND TAXES EXTRA), FROM $540 TO $3425, INCLUDING THE 1½-TON CHASSIS AT $745

TO HELP LOWER YOUR HAULING COSTS
OPERATING RECORD BOOK FREE

DODGE BROTHERS (CANADA) LIMITED A-15
Windsor, Ontario
Send your Operating Record Book. I understand there is no obligation.
NAME________________
ADDRESS________________
CITY__________PROVINCE__________
Number of Trucks Operated (Book for each will be sent)______

BUY CANADIAN-BUILT CARS AND SUPPORT CANADIAN LABOR

DEPENDABLE
DODGE TRUCKS
DODGE BROTHERS (CANADA) LIMITED, WINDSOR, ONTARIO

DIVIDEND NOTICES

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1931, being at the rate of twelve per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 2nd day of July, 1931, to shareholders of record of the 20th June, 1931.

By Order of the Board.

C. A. BOGERT,
General Manager.

21st May, 1931.

BELDING-CORTICELLI LIMITED

DIVIDEND No. 21

Notice is hereby given that on the Common Stock of this Company, the Directors have declared a Quarterly Dividend of 1¾%, payable on the 1st day of August to Shareholders of record at the close of business the 15th day of July, 1931.

By Order of the Board.

D. F. POLLOCK,
Secretary.

MERCURY OILS Limited

NOTICE
To Shareholders

Notice is hereby given that a dividend of five cents per share has been declared upon the Common shares of the Company, issued and outstanding, payable on July 2nd, A.D. 1931, to shareholders of record at the close of business on Monday, June 15th, A.D. 1931.

The transfer books of the Company will be closed at 5 p.m. on Monday, June 15th, A.D. 1931, and will be reopened on Thursday, July 2nd, A.D. 1931.

BY ORDER OF THE BOARD OF DIRECTORS.
CHAS. BIGGS,
Secretary.

300 Lancaster Building,
Calgary.

DIVIDEND NOTICES

The Cooksville Company Limited

DIVIDEND NOTICE

A Quarterly Dividend of One Per Cent (1%) on the Preference Shares has been declared payable June 15th, 1931, to Shareholders of record at the close of business on May 30th, 1931.

By order of the Board.

WM. TAYLOR,
Secretary-Treasurer.

Montreal, May 21st, 1931.

Associated Breweries of Canada Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a quarterly dividend (No. 11) of 1¾% upon the outstanding preference shares of the Company be and the same is hereby declared, the said dividend to be payable on or after the first day of July, A.D. 1931, to the shareholders of record at the close of business on the 15th day of June, A.D. 1931.

NOTICE IS ALSO GIVEN that a quarterly dividend (No. 11) of Twenty-five (25c) cents on the no par value common shares of the Company issued and outstanding be declared in favour of shareholders of record at the close of business on the 15th day of June, A.D. 1931, payable on and after the 30th day of June, A.D. 1931.

By Order of the Board,

J. G. WALFORD,
Secretary-Treasurer.

Calgary, Alberta,
April 28, 1931.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 85

Notice is hereby given that a Dividend of one and three-quarters per cent for the quarter ending the 30th day of June, 1931, being at the rate of 7% per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 106

Notice is also hereby given that a Dividend of $1.00 per share for the quarter ending the 30th day of June, 1931, being at the rate of 8% per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above Dividends are payable on the first day of July, 1931, to shareholders of record at the close of business on the 13th day of June, 1931.

By Order of the Board.

W. H. NESBITT
Secretary.

Toronto 2, May 22, 1931.

DIVIDEND NOTICES

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

Notice is hereby given that an Interim Dividend (No. 93) of one and three quarters per cent (1¾%) on the paid up ordinary shares of the Company, has been declared payable on the 30th day of June, 1931, to shareholders of record at the close of business Wednesday, the 3rd day of June, 1931.

By Order of the Board.

F. P. L. LANE,
Secretary.

Montreal, P.Q., 22nd May, 1931.

CANADA WIRE AND CABLE COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that Dividend No. 9, at the rate of 6½% per annum, on the preferred stock; Dividend No. 9, at the rate of $4.00 per annum on the Class "A" Common Stock, and Dividend No. 3, at the rate of $1.75 per annum, on the Class "B" Common Stock of this Company, has been declared for the period from 1st March, 1931, to 31st May, 1931, payable 15th June, 1931, to shareholders of record at the close of business 31st May, 1931.

By Order of the Board,

W. H. MARSH,
Secretary-Treasurer.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

In response to many enquiries from Shareholders, Directors of Dominion Bridge Company, Limited, have given very careful consideration to the present situation and prospects of future business.

The Directors estimate that earnings will provide for a Dividend of SEVENTY-FIVE CENTS (75c) per quarter for the balance of the fiscal year.

The Directors deem it proper that all Shareholders be advised of these conditions and of the Dividends that Shareholders will receive for the balance of the fiscal year. The Directors have, therefore, declared a Dividend of SEVENTY-FIVE CENTS (75c) per share payable on the 15th August, 1931, to Shareholders of record at the close of business on the 31st July, 1931; and a dividend of SEVENTY-FIVE CENTS (75c) per share payable on the 14th November, 1931, to Shareholders of record at the close of business on the 31st October, 1931.

By Order of the Board of Directors.

F. W. EVENS,
Secretary.

Montreal, P.Q.,
19th May, 1931.

BANK OF MONTREAL PROFITS ARE DOWN FOR SIX MONTHS

Deposits and Loans Lower While Bonds, Cash and Liquids Higher

The Bank of Montreal's semi-annual statement to April 30, 1931, shows total assets at $786,897,706 as compared with $826,969,537 on Oct. 31 last. This decrease in assets is mainly represented by decrease of current loans from $290,872,426 to $278,698,066, of call and short loans in Canada from $17,840,690 to $11,347,487, and of call and short loans outside Canada from $60,921,712 to $34,040,768. On the other hand, holdings of Dominion and Provincial Government securities advanced from $131,107,484 to $149,229,626 and of Canadian municipal and of British, foreign and colonial public securities from $46,447,441 to $58,858,208. The contraction in business demands for accommodation enabled the company to strengthen its position materially.

Profits for the six months were $2,771,753 as compared with $3,543,017 in the first half of the previous year. Out of the profits the bank paid dividends of $2,160,000, provided $280,000 for Dominion Government taxes and $200.000 for reserve for bank premises. There was a surplus of $131,753 to add to the sum of $947,047 brought forward at the end of the bank's fiscal year.

On Curb Board

C. N. McCUAIG,
partner of McCuaig Bros., who has been elected a member of the board of management of the Montreal Curb Market.

Liquid assets amounted to $396,026,901, equal to 55.72 per cent of the total liabilities to the public. Cash holdings alone at $29,785,989 for gold and subsidiary coin, $44,526,109 for Dominion notes and $5,000,000 for deposits in Central gold reserves were equal to 11.16 per cent of public liabilities. The total assets of $786,897,706 show total excess of $76,171,269 over total public liabilities of $710,726,437.

Total deposits dropped from $697,295,742 to $665,750,000.

PROFIT AND LOSS ACCOUNT

	*1931	*1930	†1930
	$	$	$
Profits	2,771,753	3,543,018	6,519,031
Govt. taxes	280,000	229,979	459,979
Balance	2,491,753	3,313,039	6,059,052
Dividends	2,160,000	2,167,587	5,047,586
Balance	331,753	1,145,452	1,011,466
Pre. balance	947,047	735,682	735,582
Totals	1,278,800	1,881,034	1,747,048
Res. for prem.	200,000	600,000	800,000
Balance	1,078,800	1,281,034	947,048
Prem. new stk.	......	51,459	51,459
Totals	1,078,800	1,332,493	998,507
To rest acct.	......	51,459	51,459
P. & L. bal.	1,078,800	1,281,934	947,048

*Six months ended April.
†Year ended Oct. 31.

INTER. UTILITIES PROPOSES CHANGE IN SHARE CAPITAL

Shareholders to Discuss Extensive Revision in Structure

From Our Own Correspondent

MONTREAL. — Preferred and class "B" shareholders of International Utilities Corp. will meet on June 3 in Baltimore to discuss a comprehensive reorganization of capital structure. Two features of the proposed change are a redesignation of the preferred stock as a prior preferred and a privilege to convert the class "A" stock into another class of new preferred stock.

Under the new plan the old $7 preferred stock of no par value will be changed share for share for a new issue of prior preferred stock, initial series, with exactly the same dividend rates, redemption prices, preferences in liquidation and voting powers. The prior preferred initial series will be convertible into two shares of prior preferred stock, second series, and one class "B" share.

Class "A" Conversion

Under the plan, class "A" shareholders would be able to convert their stock into a new preferred issue senior to the class "A" and junior to the prior preferred stock. The basis of exchange would be one class "A" share for two shares of preferred paying a dividend of $1.75 a share, and one quarter of a share of class "B" stock. There would be no participating privilege, however, attached to the new preferred.

The notice sent out to preferred and class "B" shareholders of International Utilities Corp. summarizes the proposed changes as follows:

(1) The preferred stock is redesignated as prior preferred stock and a new class of preferred stock, which may be issued in series, is authorized which is junior to the prior preferred stock and senior to the class A stock.

(2) The authorized number of shares of prior preferred stock is increased to 600,000 shares and of the class B stock to 2,500,000; the class A stock remains at 154,708 shares.

(3) The prior preferred stock may be issued in series as provided from time to time by the board of directors, except that the amendment fixes the terms of the initial series and of the second series.

(4) The outstanding preferred stock is changed share for share into prior preferred stock initial series with exactly the same dividend rates, redemption prices, preferences in liquidation and voting powers. Each share of such initial series is convertible, at the holder's option, within 90 days from the date the amendment becomes effective or such extended period as may be fixed by the board, into two shares of prior preferred stock second series, and one share of class B stock.

Second Series Preferred

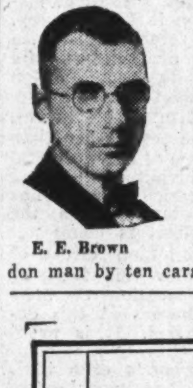
(5) Prior preferred stock second series has a dividend of $3.50 per share, is redeemable at $52.50 per share and accrued dividends, and is preferred in liquidation up to $50 per share and accrued dividends. In all other respects it ranks pari passu with the initial series and all other series of the prior preferred stock.

(6) The restriction upon the issue of prior preferred stock initial series in respect of "net assets" and "net earnings" remain substantially the same, but no such restrictions are imposed on the issue of prior preferred stock of other series.

(7) The sinking fund for the initial series of prior preferred stock is changed from a fixed annual provision of $2.50 per share and 20 per cent of the net earnings available for dividends, on the class B stock, to a fixed annual provision of $10 per share, less such shares as may be converted.

(8) Each share of the class A stock is convertible into two shares of preferred stock initial series and one quarter of a share of class B stock for the same period of 90 days or such extended period as may be fixed by the board of directors.

Canadian is Second Among Ford Salesmen



E. E. Brown

E. E. Brown, of London, Ontario, led in sales volume all other Ford salesmen in Canada during 1930. Not content with being the champion Ford salesman in Canada, Mr. Brown also was second highest for all North America, his record being surpassed only by a Ford salesman in New York City, who led the London man by ten cars.

DIVIDEND NOTICES

Standard Chemical Company, Limited

DIVIDEND

Notice is hereby given that a Dividend of $1.00 per share for the year ending March 31st, 1931, will be paid on the 26th day of June, 1931, upon the shares of the Company having no nominal or par value to Shareholders of record on the 26th day of May, 1931, such dividend to be paid to Shareholders who have surrendered or do surrender to the Company for Exchange, Stock Certificates representing Preference and/or Common Shares having par value, for shares having no nominal or par value.

By Order of the Board.

R. M. SEDGEWICK,
Secretary-Treasurer.

Toronto, May 21st, 1931.

DIVIDEND No. 15

HIRAM WALKER-GOODERHAM & WORTS, LIMITED

Controlling and Operating
Hiram Walker & Sons, Limited
Gooderham & Worts, Limited
Distillers & Bottlers in Bond

NOTICE is hereby given that quarterly dividend (No. 15) of twelve and a half (12½c) cents a share has been declared on the outstanding no par value capital stock of this Company.

This dividend is payable (Monday) June 15, 1931, to shareholders of record at close of business (Friday) May 22.

By order of the Board,
FLETCHER RUARK,
Secretary and Treasurer

Walkerville, Can., May 11, 1931.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of June, 1931.

Notice is also hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of June, 1931.

The above Dividends are payable on Thursday, the 2nd day of July, 1931, to Shareholders of record at the close of business Monday, the 15th day of June, 1931.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 21st May, 1931.

NOTICE OF DIVIDEND

Famous Players

Canadian Corporation
LIMITED

Notice is hereby given that a dividend of Fifty (50c) Cents per share for the quarter ending the 1st day of June, 1931, has been declared on the issued shares of the Company without nominal or par value, payable on the 27th day of June, 1931, to shareholders of record Friday, the 5th day of June, 1931.

By Order of the Board.

THOS. J. BRAGG,
Secretary-Treasurer.

Dated at Toronto, this 21st day of May, 1931.

Sylvanite Gold Mines, Limited

(No Personal Liability)
DIVIDEND NO. 2

NOTICE IS HEREBY GIVEN that a semi-annual dividend of two per cent (2%) on the outstanding capital stock of the Company has been declared by the Directors of the Company payable June 30th, 1931, to Shareholders of Record at the close of business May 29th, 1931.

All stock should be transferred into the name of the actual owner on or before May 29th, 1931, because the dividend will be distributed among the holders of record at the close of business on that date.

By Order of the Board.

W. S. WALTON,
Secretary.

Toronto, May 23rd, 1931.

Barcelona Traction, Light & Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

5½% FIRST MORTGAGE BONDS

NOTICE IS HEREBY GIVEN that the half-yearly interest on the 5½% First Mortgage Bonds of the Company payable in Pesetas, and due 1st June, 1931, will be paid on and after such date at the Office of Messrs. Arnus-Gari, 9, Paseo de Gracia, Barcelona, Spain, against production of Coupon No. 39.

Bondholders have the option of collecting the above peseta interest at the Canadian Bank of Commerce, Toronto, in Canadian currency at the current rate of exchange between Madrid and Toronto for the day upon which such coupons are presented for payment.

DATED this 22nd day of May, 1931.

For
BARCELONA TRACTION, LIGHT & POWER COMPANY, LIMITED.
R. H. MERRY, Secretary.

NOTICES

FINANCIAL EXECUTIVE

Thoroughly experienced and successful executive seeks new connection. Capable of installing Budget Control systems and other modern accounting methods. Good organizer, can introduce economies and establish rigid control on operations. Presently connected as official of large company. Negotiations solicited. Box 278. The Financial Post, 143 University Ave., Toronto, Ont.

Town of New Waterford

TENDERS for $100,000 Debentures of the Town of New Waterford will be received by the undersigned up to June 15th, 1931. The Debentures are payable in 20 years, dated May 15th, 1931, and bearing interest at five and one half per cent, payable twice a year at the office of the Town Clerk and Treasurer. Sinking Fund to be sufficient to pay the Debentures at the date of maturity.

The highest or any tender not necessarily accepted.

W. J. HINCHEY, Mayor.

Dated at New Waterford, N.S., this 12th day of May, 1931.

NOTICES

Tenders for Debentures

Tenders received up to 4 p.m. June 1st, 1931, for "Municipality of Restigouche Goal Debentures, 1931" under Act. Geo. V, c. 96, Acts of N.B. 1931. Subject to Municipal Debentures Act. Amount $15,000. Denomination $500. Interest 5% payable June 1st and December 1st. Date of issue June 1st, 1931. Date of maturity June 1st, 1951. Bearer Bond. Coupon Interest.

Dated at Dalhousie, Restigouche County, New Brunswick, May 14th, 1931.

STANISLAS BLANCHARD,
Secretary Treasurer, Municipality of Restigouche,
Dalhousie, Restigouche County, N.B.

SALE BY TENDER

ATTENTION OF CONTRACTORS INVITED

Sealed Tenders endorsed "Tenders for Crookston Quarries" will be received by the undersigned up to twelve o'clock noon on the Fifth Day of June 1931, for the purchase of the Crookston Quarries and six buildings erected thereon and the undermentioned equipment; the said Quarries are situate in the Township of Huntingdon, Ontario, eight miles from Tweed, six miles from Madoc, and 20 miles north of Belleville, on the highway extending on both sides of the County road, at proximity to C.P.R. and C.N.R. stations and have a C.N.R. siding, and they have an area of 47 acres more or less:

1500 ft. assorted iron pipe and some rd. steel
1 60 H.P. Loco type boiler
6 (Huy) derricks
4 steel scale boxes
3 wooden scale boxes
1 Lorry Stone Car
2 Steel stone cars 48" gauge
5 — 2 way cement dump cars
600 approximate feet of 56 lbs. steel rails
600 approximate feet of 30 lbs. steel rails
1 — 3 drum double cylinder hoisting engine
1 No. 4 Gates Gyrator stone crusher
1 — 2 drum double cylinder hoisting engine
1 No. 4 Gates Gyrator stone crusher*
1 — 2 drum double cylinder hoisting engine with swinger*
*Presently situate at Fuller, Ont.

CONDITIONS

Tenders must be submitted for the whole property and equipment and must be accompanied by a cheque for the full amount of the tender, cheque to be made payable to the order of Capital Trust Corporation Limited and accepted by a Canadian chartered bank. The highest or any tender not necessarily accepted. Any further information may be obtained from the undersigned.

BY ORDER of the owners.

CAPITAL TRUST CORPORATION Limited,
10 Metcalfe Street,
Ottawa, Ontario.

BANK OF MONTREAL

Established 1817

A presentation, in easily understandable form, of the Bank's

SEMI-ANNUAL STATEMENT

30th April, 1931

LIABILITIES

LIABILITIES TO THE PUBLIC

Deposits *Payable on demand and after notice.*	$665,750,090.45
Notes of the Bank in Circulation *Payable on demand.*	33,667,943.00
Letters of Credit Outstanding *Financial responsibilities undertaken on behalf of customers for commercial transactions (see offsetting amount [x] in "Resources").*	8,973,911.94
Other Liabilities *Items which do not come under the foregoing headings.*	2,334,491.71
Total Liabilities to the Public	$710,726,437.10
LIABILITIES TO THE SHAREHOLDERS	
Capital, Surplus and Undivided Profits & Reserves for Dividends *This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.*	76,171,269.11
Total Liabilities	$786,897,706.21

RESOURCES

To meet the foregoing Liabilities the Bank has

Cash in its Vaults and in the Central Gold Reserves	$ 79,312,099.47
Notes of and Cheques on Other Banks *Payable in cash on presentation.*	36,759,328.49
Money on Deposit with Other Banks *Available on demand.*	16,937,790.32
Government & Other Bonds and Debentures *Gilt-edge Securities practically all of which mature at early dates.*	216,329,624.76
Stocks *Railway and Industrial and other stocks at or below market value.*	1,299,802.11
Call Loans outside of Canada *Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.*	34,040,768.27
Call Loans in Canada *Payable on demand and secured by bonds and stocks of greater value than the loans.*	11,347,487.68
TOTAL OF *QUICKLY* AVAILABLE RESOURCES *(equal to 55.72% of all Liabilities to the Public)*	$396,026,901.10
Other Loans *To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.*	361,918,245.42
Bank Premises *Three properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $14,500,000, appear under this heading.*	14,500,000.00
Real Estate and Mortgages on Real Estate *Acquired in the course of the Bank's business and in process of being realized upon.*	1,780,837.77
x Customers' Liability under Letters of Credit *Represents liabilities of customers on account of Letters of Credit issued by the Bank for their account.*	8,973,911.94
Other Assets not included in the Foregoing	3,697,809.98
Making Total Assets of	$786,897,706.21
to meet payment of Liabilities to the Public of	710,726,437.10
leaving an excess of Assets over Liabilities to the Public of	$ 76,171,269.11

PROFIT and LOSS ACCOUNT

Profits for the half year ending 30th April, 1931		$2,771,753.71
Dividends paid or payable to Shareholders	$2,160,000.00	
Provision for Taxes Dominion Government	280,000.00	
Reservation for Bank Premised	200,000.00	2,640,000.00
		$ 131,753.71
Balance of Profit and Loss Account, October 31st, 1930		947,047.38
Balance of Profit and Loss carried forward		$1,078,801.09

• • •

The strength of a bank is determined by its history, its policy, its management and the extent of its resources. For 113 years the Bank of Montreal has been in the forefront of Canadian finance.

Reo Fulfills Every Need of Reliable Haulage

The Reo is the fastest and most easily driven of full-sized commercial vehicles having all-truck design and construction. ¶ Reo records of low-cost, long-life operation have never been disputed. ¶ Reo power and sturdiness, Reo safety and control, Reo riding comfort and saving of driver fatigue—are advantages operators seek and appreciate. ¶ Moreover, Reo-designed bodies are perfectly suited to reliable haulage needs and possess the advertising asset of fine appearance.

• • •

Reo passenger cars, trucks and buses are again being produced in Canada. Reo was the first manufacturer to produce motor vehicles in the Dominion on an extensive scale. The establishment of production facilities at Toronto is evidence of Reo's appreciation of the Canadian public's patronage over a period of 22 years.

REO MOTOR CAR COMPANY OF CANADA, LTD.
TORONTO

SPEED WAGONS REO AND TRUCKS

Capital: $1,000,000
Complete
Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and
Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE
EASTERN TRUST
COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

Newbold C. Jones Brian Heward
John D. Macpherson
Richard F. Angus Sydney C. L. Scobell
JONES
HEWARD & CO.
Members:
Montreal Stock Exchange
Montreal Curb Market
PRIVATE WIRE CONNECTIONS
Montreal - Toronto - New York
249 St. James Street, Montreal
HArbour 6131*
Toronto Branch: 38 King St. West

"Anything else, Sir!"
"No! what else could I want?"
Guests of the New Colonial will find every desirable innovation at this hostelry. Ideally situated just four blocks from the White House and one from car and bus lines.
$60,000 improvements just completed. All rooms now have bath or toilet with running water, radio, oscillating electric fans, and modern furnishings.
Up-to-date Coffee Shop
Single Rooms $2 and $2.50 daily
Double Rooms $3 and $3.50 daily
With bath $3 and $3.50 single
With bath $4.50 and $5 double
JEFF FORD, Mng. Dir.
THE NEW
COLONIAL
HOTEL
15th and M. STREETS
WASHINGTON, D.C.

JOHN
COTTON'S
TOBACCOS
"Scotland's Best"

"Scotland's Best" is the world's best, in tobaccos.
That's why just as many experienced smokers in Canada revel in Scotland's smoke!
JOHN COTTON'S brings you comfort, peace, relief from worry, coming as it does from an older and more placid world.
Mild • *Medium* • *Strong*
1 Ounce Tin - 25c
2 Ounce Tin - 50c
4 Ounce Tin - $1.00

JOHN COTTON'S
Export Virginia
Cigarettes
In Boxes of Twenty-five and Fifty
Sole Agents for Canada
CLARK, FRUITIER & CO
LIMITED
1016 Beaver Hall Hill
MONTREAL

Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Can. Permanent Mortgage

What is your opinion of the 5 per cent debentures of the Canada Permanent Mortgage Corp? How would these compare with municipal bonds??

In view of the long and successful history of Canada Permanent Mortgage Corp., its 5 per cent debentures have a high investment value. Most of them are short term debentures and they have the advantage therefore that marketability is not much of a factor. They mature and are paid off at par and this process is always going on.

They can hardly be compared to the longer term debenture issues of municipalities which fluctuate within narrow limits according to market conditions. They are undoubtedly more desirable than the issues of some small municipalities which have high taxes and are dependent on one or a few industries. On the other hand, debenture issues of cities like Toronto and Montreal would have first place.

The total assets at the end of 1930 of Canada Permanent Mortgage Corp. amounted to $69,321,288, whereas liabilities to the public at that time totalled $53,644,580. This includes the debenture stock, currency debentures, sterling debentures and deposits. These liabilities are well covered by one item alone of $55,205,720 for principal of mortgages on real estate and interest of $1,079,972.

Common Stocks

I have $1,000 to invest. Would you consider Goodyear Tire, Montreal Power and Imperial Tobacco common stocks as suitable investments?

The common stocks of Goodyear Tire, Montreal Power and Imperial Tobacco, all have good records. The first company is doing well at 50 per cent of capacity in spite of business depression and the big drop in automobile sales. Montreal Power has shown steady progress over a long period, and though the yield is not great, those who buy do so in the hope that increased earnings of the company will improve the value of the stock. Imperial Tobacco has paid dividends over a long period. It is the leading Canadian company in its line.

Ogilvie Flour

I hold some Ogilvie Flour preferred and common shares and have considered selling these and reinvesting in other securities. I understand the situation in the milling industry is not satisfactory.

We see no particular advantage to be obtained in selling your Ogilvie Flour stock at present and reinvesting in other securities. Though Ogilvie Flour naturally feels the effect of poor milling conditions, the company has built up a strong investment account and it should be able to weather the storm without much difficulty. The preferred and common shares have a sound record and disposal of them at current market prices might entail an unwarranted loss.

Power Corporation

Does Power Corp. operate any public utility properties or is it just a holding company?

Power Corp. of Canada is not an operating company though it derives some revenue from its management and engineering services. The Canadian companies which Power Corp. controls or with which it is affiliated, are, for the most part, making progress and bringing a satisfactory return to the parent organization. In addition to its Canadian properties, Power Corp. has a widely diversified list of securities in its investment portfolio; any improvement in stock market conditions should find reflection in the stock of Power Corp.

St. Lawrence Corp.

I hold some "A" shares of St. Lawrence Corp., which I purchased at figure well above today's level. In view of general conditions in the newsprint industry, I feel it might be well to sell this stock but would like your opinion.

St. Lawrence Corp. earnings in 1930 proved that the company was able to hold its own in face of difficult conditions obtaining in the industry. Though its immediate outlook is governed by newsprint conditions in general, the company occupies a satisfactory position and it might be worth while holding the stock, rather than selling at a substantial loss.

Montreal Power

I have some money to invest and have considered purchasing some shares of Montreal Power. Do you think the company will keep up its good record shown in the past?

The outlook for Montreal Power can be considered relatively encouraging. The company serves, without competition, the greatest metropolitan area in Canada, and its earnings in the past have shown steady growth. Through issuance of stock rights to shareholders and by the customer ownership campaign carried out last year, the company will obtain some $45,000,000 of new money which should increase its investment account substantially. Consequently the action of the stock market generally should be a factor in the company's position in the future, though the operating end of its business will continue to play the most important part in the company's revenue.

Eastern Dairies

I have held some Eastern Dairies preferred shares for some time, but have heard little regarding the company. Can you give me some information on it?

Our understanding is that Eastern Dairies has made satisfactory progress in its last fiscal year. The company has expanded its activities in the past year or two and now ranks as one of the leaders in the dairy industry in Canada. Earnings in the past have been sufficient to cover preferred dividend requirements.

Can. Hydro-Electric

I have been considering the purchase of some preferred shares of Canadian Hydro-Electric Corp., but before I do so I would like to get an opinion on the company from you.

Earnings of Canadian Hydro-Electric Corp. in 1930 showed a marked expansion and profits applicable to the first preferred shares were equal to $15.40 a share. Output of the company's operating subsidiaries was higher, reflecting larger deliveries of power to Ontario Hydro-Electric Power Commission. The greater part of this output is sold on long-term contracts, a factor which makes for encouragement in viewing the future. Canadian Hydro-Electric Corp. now ranks as one of the largest utility companies in Canada, while additional units are being installed in the Paugan plant at the present time. It is not possible to express an opinion regarding the safety of the preferred dividend; that is a matter which is known only to the management.

Famous Players

I hold some common stocks of Famous Players Canadian Corp. I have considered selling these shares since they have declined in value. What would you advise? Why has the stock declined?

No particular advantage would appear to be gained by selling your Famous Players Canadian Corp. stock at present prices, though much naturally depends upon your other investments and your own financial position. The company made further progress last year and now occupies a strong financial position. It is the largest factor in Canada in the field it serves and it should share in any progress made by the moving picture industry as a whole. Current market levels are probably affected to some extent by general unsettlement in trading. The fact that the parent company, Paramount Publix Corp. has reduced its dividend payments, has also likely been a factor in depressing Famous Players share values.

Penmans

Can you give me an opinion on the stock of Penman's Ltd.? Do you consider the dividend quite safe?

Stock of Penmans Ltd., though it has an excellent dividend record, is quoted at a price which gives a return of 10 per cent on the current dividend. This may be taken as an indication that some doubt is entertained as to the company's ability to maintain dividends at the present rate. Our understanding is that sales have shown some contraction and this, in the light of last year's earnings, might necessitate a dividend cut. Earnings in 1930 were equal to $1.93 a share as compared with dividend requirements of $4 a share on the common stock.

Can. Northern Power

What progress is Canada Northern Power Corp. making this year? I bought some of the preferred stock some time ago and am interested in the company's outlook.

Canadian Northern Power Corp. is making headway and earnings for the first quarter of the current year were slightly higher than in 1930. The company has found a ready market for production from its new hydro-electric plant on the Montreal River; activity in the gold mining district served by the company has been well maintained. Earnings last year covered preferred dividend requirements by a good margin; indications point to further progress.

General Steel Wares

I am a reader of The Financial Post and would like to have an opinion on the bonds and preferred stock of General Steel Wares. I hold both of these securities and am puzzled as to their prospects.

General Steel Wares sustained a set-back last year as regards earnings, though its balance sheet position at the end of 1930 was not unsatisfactory. Profits were not sufficient to cover bond interest requirements and our understanding is that operations have shown little improvement to date this year. The company should benefit to some extent through tariff revisions effected last fall, while any improvement in general business conditions should find reflection in earnings. The immediate outlook, however, cannot be considered very encouraging; the consolidation of companies which comprise the organization has not yet realized the benefits which were expected. In view of current earnings the position of the preferred stock does not hold much immediate promise.

Price Brothers

I hold some common stock of Price Brothers and Co. I would like to have your opinion as to the outlook for these shares.

Price Brothers and Co. succeeded in earning its common dividend requirements last year despite adverse conditions in the newsprint industry. The recent cut in newsprint prices coupled with a lower demand renders the outlook uncertain for newsprint manufacturers in the next year or two. Price Brothers has a satisfactory record; whether it will be able to maintain last year's earning power is problematical at the moment.

B. C. Power Corp.

Please be good enough to give me some information on British Columbia Power Corp. Is the company improving its position and is its outlook satisfactory.

British Columbia Power Corp. is experiencing higher earnings this year. Net earnings for the first ten months ended April 30 are up 17 per cent. This is a reflection of lower operating expenses; in 1930, a water shortage increased costs considerably. The company is making progress with a comprehensive expansion programme and its leading position in the territory served, indicates further growth in the future.

Shawinigan

I notice that shares of Shawinigan have declined considerably. Have earnings fallen off? Do you think the company will keep up its good record?

Earnings of Shawinigan Water & Power Co. have been maintained during the current year to date. Progress is being made with the new hydro-electric development at Rapide Blanc, while the company has drawn up comprehensive plans for construction of additional plants on the St. Maurice River to be undertaken as warranted in the future. Shawinigan occupies a strong position both from the financial and operating point of view.

Western Savings & Loan

Please give me a report on Western Savings & Loan Association as regards strength and safety. A 6 per cent return looks rather high to me.

Western Savings & Loan Association, Paris Building, Winnipeg, is subject to the supervision of the Municipal and Public Utility Board of Manitoba and invests its funds only in approved first mortgages, mainly to members of the Association or holders of certificates. These first mortgage saving investment certificates are suitable only for those who are confident of their ability to maintain payments under the contract throughout the lifetime of the certificates. Such certificates do not prove profitable to a person who is only able to continue payments for four or five years.

Western Savings & Loan Association reported to us that their auditor's report of December 31, 1930, showed assets of $169,620 of which first mortgages made up $159,871, Dominion of Canada bonds $5,668 and cash in bank $4,081. Among the liabilities, the largest one was of $132,098 for certificate holders including interest for January 15, 1931, leaving a surplus in favor of certificate holders of $37,532 at that date.

The secretary, W. S. R. Wilson, informs us that the Association contracts no liabilities except to its certificate holders. Auditor's reports are filed each month with the Municipal and Public Utility Board of the province and those are available at all times to the public.

There is a withdrawal condition by which a certificate holder after 12 months may withdraw all sums paid in excess of $30 per $1,000 of maturity value of said certificate plus interest on 30 days' notice in writing addressed to the secretary. The borrowing value equals 90 per cent of the withdrawal value. The $30 retained in case of withdrawal remains to the credit of the certificate holder and is repayable to the certificate holder when the schedule of monthly payments has been completed and the certificate matured. If he does not wish to re-commence his monthly deposits, the $30 credit can be covered by a transferable certificate good for five years which he may dispose of if he can find a market.

Quebec Power

Among my holdings are some shares of Quebec Power Co. Is this company doing well, and what are its prospects?

Utility companies as a whole have shown a tendency to maintain their earnings despite business conditions. In 1930 Quebec Power earned the equivalent of $2.95 on its common stock as against current dividend requirements of $2.50 a share. The company recently submitted a new and lower rate schedule to the council of Quebec City. This has not been accepted to date. Rate reductions, in some cases, have had the effect of increasing consumption, which offsets a lower tariff. The company occupies a strong financial position and has made steady progress in the past.

Abitibi Preferred

What is the relative position of the 6 per cent and 7 per cent preferred stocks of Abitibi Power & Paper and the 7 per cent preferred stock of Provincial Paper Co.? Would it be possible for the company to pass dividends on the 6 per cent preferred and yet continue to pay dividends on the other two issues? I am seeking this information in view of the apparent uncertainty as to priority of certain of the underlying issues of Canada Power & Paper Co.

The 7 per cent preferred stock of Abitibi Power & Paper Co., outstanding to the extent of $1,000,000, has first preference as to assets and dividends of the company, is non-callable and in the event of voluntary liquidation is entitled to par and accrued dividend.

The 6 per cent cumulative preferred stock of $100 par value, is outstanding to the extent of $34,881,800; it is a 6 per cent cumulative stock, and in the event of a dissolution or winding up of the company or of a reorganization or distribution of capital the holders of this stock after payment to the holders of the 7 per cent cumulative preferred stock are entitled to be paid the par value of the preferred shares and dividends accrued. It is quite true that the company could omit dividends on the 6 per cent preferred stock of Abitibi Power & Paper Co., and still continue them on the 7 per cent preferred issue and also on the Provincial Paper Co. 7 per cent preferred issue. The Provincial Paper Co. preferred issue would be a charge only against the revenue of that company. The control by Abitibi would not affect the situation.

Conduits

What is the reason for the 7 per cent preferred shares of Conduits Co. selling so much below par?

To understand properly the position of the new issue of 7% preferred of Conduits Co., it must be realized that no change was made in the actual assets or earning power of Conduits Co. by the reorganization, except in so far as cash was used to redeem the old preferred stock and issued to common stock when transferred to the new company. The new issue of 7 per cent preferred of Conduits Co. was distributed entirely among the holders of common stock, so that it amounts in practice to a stock dividend on the common and no new assets were added to it by reason of this issue.

No financial statement has yet been issued for the year ending September 30, 1930, in so far as the public is concerned and there is no statement as to probable earnings for the current year. The company has done very well in the few years of its existence. It should do best in a time of active construction.

Canada Cement

I am considering the purchase of a first mortgage bond of Canada Cement Co. What is the outlook for the company; I understand it has done well to date.

Canada Cement Co. has made progress in the past few years. Despite difficult conditions in business generally last year, the company recorded but a slight decrease in gross earnings, and bond interest, after depreciation, was covered 2.85 times. Canada Cement is the largest factor in the industry in Canada and any upswing in constructional activities should find reflection in the company's position. Sales during the current year are reported to be satisfactory, while prospects for orders in connection with the Canadian National Railways terminal project in Montreal might lead to some substantial business in the near future. The company has a satisfactory record extending over a twenty year period.

Fraser Companies

Can you tell me if any official explanation has been given regarding the passing of interest on Fraser Companies debentures? Is there likelihood of resumption of interest payments?

The only official reference made to the passing of interest on Fraser Companies debentures was contained in the president's remarks to shareholders accompanying the annual report for 1930. He said: "Despite the provision for additional funds, operating losses and the heavy shrinkage in lumber inventories have caused a substantial loss in working capital during the year, and it is proposed that the payment of interest on the issue of $6,000,000, 6½ per cent debentures, due April 1, be postponed." In the meantime, the management and the company's bankers are making a thorough review of the company's position and it is probable that some plan of reorganization will be evolved. As you probably know, operations in 1930 resulted in a deficit of $4,219,470, after charges.

No Reply From Trustee

After reading an article on trustees in one of your recent issues I wrote to the trustees of various bonds which I hold asking if everything was in order with the sinking fund payments. One of these has not even acknowledged my letter. Have I the right to get that information and if it is refused, what can I do?

In case of default of payment of interest or sinking fund, have I the right, as a bondholder, to act as an independent creditor or does the law force me to follow the course of action dictated by a majority of the bondholders?

We cannot pass on the legal obligation of the trustees to supply you with the information you desire. From the standpoint of financial ethics it would appear to us that a trustee would not be fulfilling his obligation in a 100 per cent way if he refused to answer the questions of a bondholder as to whether everything is right with the sinking fund payments or not. If they refuse you the information, it would be a matter for legal advice as to your best course of action.

Unless there is something to the contrary in the mortgage deed of trust a bondholder should have the right to act as an independent creditor in case of default of payment of interest or sinking fund. The trustee can take action in the interests of the bondholders as a rule, but a bondholder's committee can be formed, if the bondholders desire, in order that their interests may be protected.

Donnacona Paper

I understand that the first mortgage bonds of Donnacona Paper Co. are quoted at a fairly low figure. I would like to know whether these bonds could be considered a good buy at present prices. Is it true that Price Brothers & Co. controls the company?

Operations of Donnacona Paper Co. have been affected in common with other newsprint manufacturers, by existing difficulties in the newsprint industry. Earnings in 1930 were $621,190 as compared with $829,861 in 1929. No provision was made for depreciation or depletion last year, earnings being just sufficient to cover bond and debenture interest of $620,012. Price Brothers & Co. holds a controlling interest in the common stock, but the bonds are not guaranteed by the parent organization. Present quotations on the first mortgage bonds of Donnacona Paper are nominally 50-60 and the high yield which this price returns is an indication that the outlook is speculative.

In addition to its newsprint and lumbering activities, Donnacona Paper brought an insulating board mill into production last year, a factor which did not find full reflection in profits in 1930. In considering the first mortgage bonds as an investment it is well to remember that conditions in the newsprint industry are not satisfactory, due to over-production, lower demand and lower prices. On the other hand, Price Brothers has an excellent record and its subsidiary has the benefit of its affiliation with the Price management.

McColl-Frontenac

I hold a bond of McColl-Frontenac Oil Co. and would like to have an opinion on the progress of this organization.

Earnings of McColl-Frontenac Oil Co. in 1930 showed an increase over those of the previous year, though higher interest charges reduced share earnings to $1.43 as compared with $1.92 in 1929. The situation in the oil refining industry is not altogether satisfactory. Overproduction of crude and a tendency to cut prices of the refined product may narrow the margin of profits during the current year. The company, however, has carried out considerable expansion in recent years and now ranks as the third largest organization in the industry in Canada.

C. P. R.; English Electric

Among my investments I hold a bond of English Electric Co., preferred stock of Mount Royal Hotel Co., and common stock of Massey-Harris Co. All of these were bought at prices higher than those prevailing today and while I do not have to sell any of them I am considering whether it would not be wisest to do so.

Is C. P. R. likely to cut its dividend this year? If they are depending on the crop in Western Canada for their earnings, they are likely to be low, as I have lived in the West for 30 years, and have never seen the country so dry, and prospects for a crop at this time of year so poor.

The C. P. R. has answered your question about the possibility of the dividend cut by cutting the dividend in half. The western conditions you mention have no doubt had their influence in determining the company on this procedure.

Massey-Harris is instituting drastic economies in wages, personnel, and other expenses in order to meet the present situation. Its eventual recovery to the advantage of common stock can only be based on increasing purchasing power of the agricultural population of the earth.

English Electric and Mount Royal Hotel are both feeling the effect of the depression. The hotel company naturally feels it worse as travel is greatly curtailed in times of depression. Some hope that diversion of tourist traffic from Europe to Canada will partly at least make up for the natural tendency to lower travel totals.

When Women Invest

A WEEKLY FEATURE

Riverside Iron Works

I hold a 7 per cent first mortgage bond of Riverside Iron Works Ltd., $500 of 7 per cent preferred stock of Alberta Wood Preserving Co. and 10 shares of Second Canadian General Investments Ltd. It has been suggested that I sell these investments and buy trust shares of Major Industries Investments Ltd. May I have your opinion of this investment trust and the advisability of exchanging my present holdings?

We have no information regarding the trust shares of Major Industries Investments, Ltd. We should be very glad to advise you on this fixed trust if you can forward us further particulars.

It is true that fixed trust shares offer a diversification of investment and that these shares are selling at low levels at the present time, reflecting present conditions in the stock market. Purchase of fixed trust shares, however, should follow only after a thorough investigation.

The 7 per cent first mortgage sinking fund bonds of Riverside Iron Works, Ltd., are a first charge on this western subsidiary of Dominion Bridge Co. No annual financial statement is issued for Riverside Iron Works, Ltd., and the exact position of the bonds cannot, therefore, be judged. The parent company, however, is the largest company in its field in Canada. We can see no reason for you to switch from these bonds to some other investment at the present time.

Alberta Wood Preserving Co., another western company, is controlled by Dominion Tar & Chemical Co., the largest company in its field in Canada. Earnings of Alberta Wood Preserving Co. in the 13 months ended October 31, 1929, amounted to $38.84 per share of 7 per cent preferred stock against dividend requirements of $7 per share. No further annual statements will be issued for Alberta Wood Preserving Co. and the earnings will be consolidated with the earnings of Dominion Tar & Chemical Co. and its other subsidiaries. In the year ended December 31, 1930, Dominion Tar & Chemical Co. met bond interest and preferred dividend charges by a wide margin and increased its surplus to $991,046 from $551,678 shown the previous year. Your preferred stock would appear to be well secured.

Of your three investments, the no par value shares of Second Canadian General Investments Ltd. are in the weakest position, with a present market of from $9 to $10 per share.

This price, however, is under the liquidating value of the shares and there is very little or practically no trading in the shares. At the annual meeting of Second Canadian General Investments Ltd., held on April 29, 1931, shareholders approved of a change in name to Canadian General Investments Ltd., and an increase in the authorized number of shares from 400,000 shares of no par value to 1,000,000 shares of no par value. This is the first step toward merging the assets of the Canadian General Investment Trust, Ltd., with Second Canadian General Investments Ltd., and the Third Canadian General Investment Trust, Ltd. Shareholders of the first and third trusts will probably exchange their shares for shares of Canadian General Investments, Ltd., although such action has not been ratified by the shareholders as yet. This action should not affect your shares other than favorably and should tend to provide a better market for your shares.

Securities held in the investment portfolio of Second Canadian General Investments, Ltd., have shown a substantial depreciation in market value during the past few years. It will take some time for the shares to regain anywhere near the market value at the time they were originally offered and any recovery must await improved conditions in the stock market. Here again, but, for another reason, it does not appear that you would be justified in selling your shares.

Interpreting the News
A few minutes every Monday morning keeps readers of the Greenshields Weekly Review informed on outstanding financial and commercial developments in the Dominion, with particular reference to their bearing on Canadian security values.
We shall be pleased to send the Weekly Review to any institutional or private investor.
Greenshields & Co
Investment Bankers
Members Montreal Stock Exchange
505 Place d'Armes, Montreal
OTTAWA TORONTO QUEBEC
123

GEORGE A. FULLER
COMPANY of CANADA
LIMITED
BUILDING
CONSTRUCTION
DIRECTORS
R. G. Babbage H. T. Hunter
W. A. Black N. L. C. Mather
L. R. Crandall Wilmot L. Matthews
Geo. T. Pepall J. F. McPherson
J. J. Gibson J. L. E. Price
D. I. McLeod Hon. J. M. Wilson
TORONTO
MONTREAL
SERVICE · EXPERIENCE · ORGANIZATION

World's Greatest
2 ton truck value
FOR sheer value the Studebaker 2 ton truck chassis leads the field by a wide margin.
This sturdy 70 horsepower truck has been engineered to give a greater measure of value than any other truck on the market. Its massive 7-inch frame, Timken truck axles, 4-speed gear box, four-wheel brakes and heavy truck springs insure thousands of miles of low cost hauling. It is offered in three wheelbases: 136, 148 and 160 inches.
All of these features combine to make this Studebaker the choice of operators who know truck values—yet it is the *world's lowest priced* 2 ton truck chassis.
In the 1½ ton range Studebaker offers the most powerful 1½ ton truck of 130 or 160 inch wheelbase ever sold at its low price.

The Studebaker Corporation of Canada, Limited
Walkerville, Ontario
STUDEBAKER
Trucks
MADE IN CANADA

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING MAY 25

Range 1931 High	Low	Divd. Rate $	Yield in % May 22		Close May 18 (or last)	Week Ending May 25 High	Low	Close
13¾	3½	.	...	Abitibi, c.	5⅛	5⅛	3½	3¾
50	15	6	...	Do. pref.	20	20¼	17¾	20
105	105	7	6.66	Do. pref.	105	..	..	..
8	7	.	...	Agnew Surp., c.	7	..	..	..
88	85	7	8.23	Do. pref.	85	..	..	..
6¼	2½	.	...	Alta. Pac. Grain	4	3¼	3¼	3¼
30	16	.	...	Do. pref.	16	16	16	16
4	3	.	...	Amal. Electric	4	..	..	..
18	12	.	...	Do. pref.	12	12	12	12
3½	2½	25c	...	Anglo Nor. Hold.	3	..	..	..
.50	.25	.	...	Asbestos	.40	.40	.40	.40
2	1	.	...	Do. pref.	1	1	1	1
9	6	1	13.78	Assoc. Brew.	7	7¼	7	7¼
70	67	7	10.00	Do. pref.	70	..	..	..
10	6	.	...	Assoc. Can.	6	6	6	6
69	65	4+50	6.81	Assoc. Tele.	66	..	..	..
87	87	6	6.89	Do. pref.	87	..	..	..
37¼	12¾	.	...	Atlan. Sugar	22	23	22¾	23
105	79¾	.	...	Do. pref.	94	..	..	..
175½	158¼	10	5.89	Bk. Can. Nat.	158¼	169¾	169½	169½
303	252	12+2	5.51	Bk. Montreal	269	267	252	252
326	300	16	5.32	Bk. of N. Scotia	313½	313½	300	300
238	217	12+1	5.79	Bk. of Toronto	225	227	222	224
24	22½	1.50	6.25	Barcelona Tr.	24	..	..	..
5¼	4	.	...	Bathurst Pr.	4⅛	4⅛	4⅛	4⅛
4	2	.	...	Do. (B)	2	..	..	..
x26	26	.	...	Bawlf Grain	..	..	..	..
25	20	.	...	Do. pref.	20	..	..	..
12	6	40c	6.66	Beath & Sons	6	..	..	..
20	12	2	16.66	Beatty Bros.	12	..	..	..
80	60	6	9.98	Do. pref.	60	60⅛	60⅛	60⅛
8½	5	.	...	Beauharnois	6	6½	5	6
93	85	7	8.23	Belding Cort.	85	85	85	85
100	100	7	7.00	Do. pref.	..	100	100	100
55	10	.	...	Belgo C. P. pf.	10	..	..	..
151⅞	129⅝	8	6.11	Bell Telephone	140	140	129⅝	132
4½	3	.	...	Biltmore Hats	3	..	..	..
65	60	7	10.76	Do. pref.	65	..	..	..
x22	14	.	...	Bissell	..	..	..	..
x97	88	.	...	Do. pref.	..	..	..	..
20	12	2	12.12	Blue Ribbon Cp.	17	17	16½	16½
38	30	3.25	8.78	Do. pref.	38	38	36	36
22½	14	2	12.50	Brant. Cd. pf.	16	18	14	16
28½	13⅛	2(a)	...	Brazilian Tr.	14	16⅝	14	14⅞
x2	⅞	.	...	Brew. & Distil.	..	..	..	..
16½	9¼	80c	8.20	Brit. Amer. Oil	10	10⅛	9¼	9⅝
3.50	.50	.	...	B.C. Packers	1.00	.60	.50	.60
22	5	.	...	Do. pref.	5	..	..	..
42½	33½	2	5.92	B.C. Power	34¼	34½	33½	33¾
18	10	.	...	Do. (B)	10¼	11	10	10½
2	1	.	...	B.E. Steel	1	..	..	..
21	18½	.	...	Do. 1st pref.	18½	..	..	..
3½	2½	.	...	Do. 2nd pref.	2¾	..	..	..
8	4½	.	...	Bruck Silk Mills	4½	5	5	5
26	17⅜	2	11.11	Building Prod.	20	20	17⅜	18
44¼	34	3	8.69	Burt, F. N.	36	35½	34	34½
146	140	6	4.28	Calgary Pr.	140	..	..	..
7⅞	3⅛	50c	12.50	Can. Bread	4¾	4	3⅛	4
100	90	7	7.77	Do. pref. (A)	99¼	90	90	90
80	62	7	10.29	Do. pref. (B)	68	..	..	..
13½	8¾	1	8.78	Canada Bud.	11⅝	11⅝	11⅛	11¼
18⅞	9⅞	.	...	Can. Cement	10½	10½	9⅞	10
96½	91	6.50	6.95	Do. pref.	94⅛	93½	93	93
b43	29⅞	3	7.31	Canada Dry	38½	41	38½	39¾
12	10	1.50	15.00	Can. Forg. (A)	10	..	..	..
x16	5	.	...	Do. (B)	..	..	..	..
68	66	3	4.44	Canada Iron	66	..	..	..
76	75	6	8.00	Do. pref.	75	..	..	..
16½	11¼	1.50	12.50	Can. Malting	12	12	11¼	12
17½	15	80c	4.70	Can. Nor. Pr.	17	17	17	17
106½	104	7	6.66	Do. pref.	105	105	105	105
6	2	.	...	Can. Paving	3	3	2	2
51	45	7	15.55	Do. pref.	45	..	..	..
216	206	12	5.74	Can. Perman.	210	210	207	207
4.50	.75	.	...	Can. Pr. & Pap.	.80	.85	.75	.75
9	4⅞	.	...	Can. Steam.	5	..	..	..
27	16	.	...	Do. pref.	18½	17	16¾	17
20	16	1.60	9.68	Can. Vinegar	17½	16½	16	16½
70	65	4	6.01	Can. W. Cable	66½	..	..	..
30½	22	1.75	...	Do. (B)	24	22	22	22
16	10	.	...	Can. Bakeries	12	..	..	..
x99	72	7	7.95	Do. pref.	..	..	..	..
232	203	12+1	6.33	Can. Bk. of Com.	211	210½	203	203
36½	24¾	2.50	9.80	Can. Bronze	27	26¾	24¾	24¾
110	108	7	6.48	Do. pref.	110	108	108	108
13¼	9⅝	50c	5.33	Can. Canners	9½	9⅝	9⅝	9⅝
92¼	86	6	6.81	Do. 1st pref.	89	89	88	88
14	10½	80c	7.44	Do. 2nd pref.	10¾	10⅞	10½	10¾
19	11⅜	1.75	14.28	Can. Car & Fdy.	12⅞	13	11⅜	12⅛
25¼	21	1.75	8.14	Do. pref.	21	21⅝	21	21
14½	9½	.	...	Can. Celanese	9½	..	..	..
70¾	59	3.50	...	Do. pref.	67	67	65	65
58	30	5	16.66	Can. Converters	30	..	..	..
x50	45	.	...	Can. Cottons	..	..	..	..
55	51	6	11.76	Do. pref.	51	..	..	..
36½	25½	3	10.16	Can. Dredge	30	30	29½	29½
92	92	7	7.60	Do. pref.	92	..	..	..
81⅝	79	6	7.59	Can. Fairb. pf.	79	..	..	..
6	5¾	.	...	Can. For Inv.	5¾	..	..	..
x90	74	.	...	Do. pref.	..	..	..	..
300	225	4	1.77	Can. Gen. Elec.	243	225	225	225
63⅛	59½	3.50	5.55	Do. pref.	61	63	61	63
80	58	6	10.25	Can. Hyd. E. pf.	65	65	58	58
5¼	2	.	...	Can. Ind. Alc.	2½	2⅝	2¼	2½
3½	1½	.	...	Do. (B)	1½	1½	1½	1½
5.00	3.95	.	...	Can. Int. I. Tr.	3.95	..	..	..
70	67¼	5	7.43	Do. pref.	67¼	..	..	..
42	15	1	...	Can. Lt. & Pr.	40½	36	36	36
18	18	.	...	Can. Locomo.	18	..	..	..
25	14	.	...	Do. pref.	15	..	..	..
b4½	1⅞	.	...	Can. Marconi	2½	2⅝	2⅝	2½
28½	10	1	8.33	Can. Oil	11	12	11	12
120	115	8	6.95	Do. pref.	115	..	..	..
45¼	25	1.25	4.34	Can. Pacific	25¼	28¾	25	28¼
6½	5	.	...	Can. P. & P. Inv.	5	..	..	..
6½	3	.	...	Can. Vickers	3½	3½	3½	3½
35	22	.	...	Do. pref.	22	23½	22	22
6	3½	50c	14.28	Can. Wineries	3½	3½	3½	3½
16	10	1.50	15.00	Can. Wire Box.	10	10	10	10
3	1⅛	.	...	Carling Brew.	1⅛	..	..	..
x27	20	.	...	Catelli Mac. A.	..	..	..	..
x10	9	.	...	Do. (P)	..	..	..	..
301	290	12+3	5.08	Cent. Can. Loan	295	..	..	..
5.35	2.60	.	...	Chem. Research	2.75	2.66	2.60	2.65
64	57	2	...	City Dairy	60	..	..	..
x155	120	7	...	Do. pref.	..	..	..	..
20.25	10.00	30c(c)	...	Cities Service	15.00	13.25	10.00	11.00
10	5	60c	10.00	Cockshutt Plow	6¼	6⅛	5	6
9	3	.	...	Comm. Alc.	4	3½	3½	3½
9	6	.	...	Conduits	6	..	..	..
94	84	7	7.77	Do. pref.	90	..	..	..
12⅞	8	1	12.12	Cons. Bakeries	8½	8⅝	8	8¼
3	⅝	.	...	Cons. Food Prod.	⅝	..	..	..
6	3	.	...	Do. (A)	3	..	..	..
18⅝	10¼	80+20c	5.71	Cons. Indust.	17½	18	17¼	17½
31	25	2	7.69	Cons. Press	27	26	25	25
80	70	7	10.00	Cons. Sand, pref.	70	..	..	..
188¼	82	12.50	15.15	Cons. Smelters	90	88	82	82½
187	180¾	10	5.40	Consumers Gas	185	185½	184	185
x35	30	.	...	Cooksville Co.	..	..	..	..
x85	85	4	...	Do. pref.	..	..	..	..
20½	15	.	...	Corporate Steel	15	15	15	15
x90	90	.	...	Corr. P. Box, p.	..	..	..	..
2.10	1.00	.	...	Cosgrave Br.	1.00	..	..	..
9	6	.	...	Cosmos Imp.	7	6	6	6
93	80	7	8.33	Do. pref.	87	85¼	80	80
6½	3	.	...	Crown Dom. Oil	4	3¾	3½	3½
15	8½	3	...	Crow's N. Coal.	13	..	..	..
.60	.25	.	...	Curtiss-Reid	.25	..	..	..
x8	5	.	...	Do. pref.	..	..	..	..
5	4	.	...	David & Frere B.	4	..	..	..
12½	12½	.	...	De Havilland	12½	..	..	..
x15	8	.	...	Disher Steel	..	..	..	..
x18	17	1.50	...	Do. pref.	..	..	..	..
12⅞	8⅝	1	10.81	Distill-Seagram	10	10	8⅝	9¼
223	213	12+1	6.04	Dominion Bank	214	215	213	213
55¾	31	3	9.16	Dom. Bridge	31¾	32¾	31½	32½
40	40	.	...	Dom. Coal	40	..	..	..
50	18	2.40	13.33	Dom. Engineer.	23	22	18	18
x14	10	.	...	Dom. Foundries	..	..	..	..
126	98	7	7.14	Dom. Glass	100	98	98	98
122	119	7	5.78	Do. pref.	121	..	..	..
20	20	.	...	Dom. Iron pfd.	20	..	..	..
14	10	.	...	Dom. Pr. Stubs.	14	12⅛	12⅛	12⅛
24	24	.	...	Dom. Steel pf.	24	..	..	..
8¼	3½	.	...	Dom. St. & C. B.	3⅝	3¾	3½	3½
24¼	13¾	1.20	6.40	Dom. Stores	20½	20	18½	18¾
14	8¾	.	...	Dom. Tar & Ch.	10	10	10	10
93	85	6.50	7.30	Do. pref.	90	90	89	89
83	66¼	5	7.51	Dom. Textile	67	68	66¼	66¼
123	120	7	5.78	Do. pref.	121	..	..	..
12	10	.	...	Donnacona	10	10	10	10
7	3	.	...	Dryden Paper	3	3	3	3
7½	3	.	...	Duff. Paving	7	3	3	3
80	70	7	9.85	Do. pref.	71	71	71	71
11¾	4	40c	8.00	Durant Motors	5	5½	5	5
25½	16	1	5.00	East. Dairies	17	20	16	20
20	20	50c+$1	...	East. Steel	20	..	..	..
100	87	7	7.21	Do. pref.	100	97	97	97
x25	18	.	...	East Koot. Pr.	..	..	..	..
97	94⅝	7	7.29	Do. pref.	96	..	..	..
x34	28½	2	...	East. Theatres	..	..	..	..
x85	80	7	...	Do. pref.	..	..	..	..
3¾	3¾	.	...	Easy Washer	3¾	..	..	..
37	34¾	2.50	7.14	Economic Inv.	37	35	35	35
15	15	.	...	Edmonton Da'y	15	..	..	..
80	80	6.50	8.12	Do. pref.	80	..	..	..
8	6	.	...	Enamel & Heat.	6	..	..	..
40	30	3	10.00	Eng. Electric	32¼	30	30	30
16	15	.	...	Do. (B)	15	..	..	..
39½	33½	2	5.97	Fam. Players	33½	..	..	..
33½	22	2	...	Do. Vot. Trust	22	..	..	..
18	10	1	9.75	Fanny Farmer	10¼	10¼	10	10¼
34	28	2.40	7.50	Do. pref.	31½	32¼	31½	32¼
x.25	.10	.	...	Federal Distil.	..	..	..	..
x83½	75	.	...	Firstbrook Box	..	..	..	..
29¼	16¼	1.20	7.05	Ford Motors (A)	18½	19	16¼	16½
15	7⅞	.	...	For. Pr. Secs.	8	8	7⅞	7⅞
16½	12	1	8.33	Foundation Co.	12	..	..	..
3	1	.	...	Fraser Cos.	1	1	1	1
8	6	.	...	Frost Steel	7	..	..	..
96½	93	7	7.52	Do. pref.	93	..	..	..
7¼	3	.	...	Gen. Ste. Wares	4	4	3	3
118	85	5x2.50	8.42	Goodyear Tire	94	90	85	89
107⅞	101½	7	6.79	Do. pref.	103½	103	102½	103
93¾	93¼	7	7.50	Gould Pumps, pf.	93¼	..	..	..
¾	½	.	...	Gt. W. Saddlery.	½	..	..	..
8	6	.	...	Do. pref.	8	..	..	..
31	23	2	8.69	Gurd, Chas.	23½	23⅝	23	23
x110	108	7	...	Do. pref.	..	..	..	..
12⅞	7⅞	80c	10.00	Gypsum, Lime	8¾	8⅝	7⅞	8¼
20¼	8¾	1	11.11	Ham. Bridge	10	10¼	8¾	9
80	72	6.50	8.99	Do. pref.	72	72¼	72	72
19	15	2	11.11	Ham. Cotton, p.	18	18	18	18
4½	3	.	...	Ham. Un. Theat.	4	..	..	..
63	55	7	11.66	Do. pref.	60	..	..	..
12	4	.	...	Hayes Wheel	6	..	..	..
x95	80	.	...	Do. pref.	..	..	..	..
x50	50	.	...	Hillcrest Coll.	..	..	..	..
x91	91	7	...	Do. pref.	..	..	..	..
4	3½	.	...	Hinde & Dauch.	4	3½	3½	3½
x120	120	.	...	Holt Renfrew	..	..	..	..
x96¼	90	7	...	Do. pref.	..	..	..	..
7	7	.	...	Honey Dew	7	..	..	..
59	50	7	13.59	Do. pref.	52	54	50	51½
6	3½	.	...	H. Smith Pap.	3½	..	..	..
45¼	30	.	...	Do. pref.	30	..	..	..
20	17½	2	11.11	Humberstone Sh.	18	18	18	18
28½	18	1.40+50	8.26	Hunt (A)	23	..	..	..
23¼	19	1.40+50	8.16	Do. (B)	23¼	..	..	..
150	148	8	5.36	Huron & Erie M.	150	149½	149½	149½
29¼	28½	.	...	Do. 20% paid.	28½	..	..	..
29⅞	17	1.40	8.22	Hydro Electric	17	..	..	..
225	205	12+1	6.30	Imperial Bank	211	211	205	205
18⅝	10¼	50+50c	8.69	Imperial Oil	11⅝	11¾	10¼	10⅞
10½	9	35+20c	5.78	Imperial Tob.	9¾	9½	9	9½
29	22	2	...	Int. Hyd. E. (A)	27	22	22	22
103	100	7	7.00	Inter. Mill., pf.	100	100	100	100
x92	88	6	...	Do. Series (A)	..	..	..	..
20½	11⅝	60c	5.00	Inter. Nickel	12	12⅞	11½	12
10	5	.	...	Inter. Paints	5	..	..	..
b10	4½	.	...	Int. Pa. & Pr. A	4⅞	4½	4½	4½
b6	2½	.	...	Do. (B)	3	..	..	..
b4½	2	.	...	Do. (C)	2	2	2	2
b43½	24¾	7	...	Int. Paper, pfd.	26	27	25	25
15½	10½	1	9.30	Inter. Pete.	11	11⅛	10½	10⅝
8	6	.	...	Inter. Power	6¼	6	6	6
70⅛	60	7	11.47	Do. pref.	64	63	60	60¼
45	38	3.50	9.15	Int. Util. (A)	39½	39½	38	38
11	5¾	.	...	Do. (B)	6½	6½	6	6
40	40	1	2.50	Jam. Pub. Ser.	40	..	..	..
109	106½	7	6.57	Do. pref.	106½	..	..	..
5	3¾	.	...	Kelvinator	4¾	..	..	..
79	73¼	7	9.55	Do. pref.	75	73¼	73¼	73¼
x40	40	.	...	King Ed. Hotel	..	..	..	..
24	10	.	...	Lake of Woods	10¼	10½	10	10½
101	95	7	7.36	Do. pref.	95	..	..	..
x190	180	8	...	Landed Banking	..	..	..	..
46	36	3	8.33	Laura Secord	37	36¼	36	36
16	10	1	9.09	Lindsay, C. W.	13	11	11	11
72½	68	6.50	9.55	Do. pref.	68	..	..	..
14¾	11	80c	6.66	Loblaw (A)	12½	12½	12	12½
14¾	10	80c	6.88	Do. (B)	12	11⅝	11½	11⅝
x2¾	2¾	.	...	Loew's, London	..	..	..	..
25	10	.	...	MacKin. Steel	20	..	..	..
95	92	7	...	Do. pref.	92	..	..	..
x36	20	.	...	Manitoba Pr.	..	..	..	..
8	6	.	...	Maple Leaf	6	..	..	..
40	30	.	...	Do. pref.	32	30	30	30
32	30	.	...	Marcus Loew's	30	..	..	..
71	71	7	9.85	Do. pref.	71	..	..	..
10½	4	.	...	Massey-Harris	4½	5	4½	4½
22½	11¾	60c	5.00	McColl Fron.	12½	12½	11¾	11¾
80	73	6	8.00	Do. pref.	73¾	..	..	..
45	42	.	...	Mexican L. & P.	42	..	..	..
x25	25	.	...	Mercury Mills	..	..	..	..
x89	58½	.	...	Do. pref.	..	..	..	..
40½	40	.	2.50	Mitchell, J. S.	40	40	40	40
105	105	7	6.66	Do. pref.	..	105	105	105
20	15	1	6.66	Mitchell, Robt.	15	15	15	15
1	1	.	...	Monarch Knit.	1	..	..	..
38	38	.	...	Do. pref.	38	..	..	..
95½	85	6	7.05	Montreal Cot.	85	..	..	..
102	98	7	7.00	Do. pref.	100	..	..	..
3½	3	.	...	Montreal Ex.	3	..	..	..
20	15⅞	.	...	Mont. Is. Pr.	16	..	..	..
68¼	49¼	1.50	2.95	Mont. L. & Pr.	50⅜	50¾	49¼	50
49½	48	3+25	6.77	Montreal Loan	48	..	..	..
52	48	3.20	6.53	Montreal Tele.	49	49	49	49
177	160	10	6.25	Mont. Trams.	170	160	160	160
17¾	12½	1	7.69	Moore Corp., c.	13	13	12½	12½
108½	100¼	7	6.98	Do. (A)	102½	101½	100¼	100¼
126	110	7	6.36	Do. (B)	113	113	110	110
x10	10	.	...	Mt. Royal Hotel	..	..	..	..
x49	49	1	...	Do. pref.	..	..	..	..
3¼	2	30c	...	Muirheads	2	..	..	..
8½	6	75c	8.82	Do. pref.	8½	..	..	..
35¾	25½	1.60	5.92	Nat. Brew.	28¼	28	26¾	26¾
34¾	29	1.75	5.30	Do. pref.	32½	..	..	..
x10	3	.	...	Nat. Brick	..	..	..	..
19	5	.	...	Do. pref.	5	..	..	..
.50	.25	.	...	Nat. Distilleries	.50	..	..	..
42	22	2	9.09	Nat. Steel Car.	22	22	22	22
360	300	14	4.66	National Trust	300	..	..	..
13	11	1.50	13.63	Niag. W. Weav.	11	11	11	11
36	35	3	8.57	Do. pref.	35	35	35	35
x90	89¾	.	...	Nor. Mex. Pr.	..	..	..	..
70	70	7	10.00	Do. pref.	70	..	..	..
6.00	2.50	.	...	North Star Oil	3.00	2.50	2.50	2.50
4.95	4.50	35c	7.44	Do. pref.	4.70	..	..	..
x25	22¼	.	...	N.S. Steel, pref.	..	..	..	..
285	140	8+5	8.66	Ogilvie Flour	160	150	140	150
130	118¼	7	5.78	Do. pref.	120	121	118¼	121
21	17	6	3.38	Ont. Eq. 10% p.	17¾	17¾	17	17
118	113	6	5.12	Ontario Loan	117	..	..	..
5½	5	.	...	Ont. Silknit	5	5	5	5
16	13	80c	6.15	Ont. Steel	13	..	..	..
x105	105	7	...	Do. pref.	..	..	..	..
1¼	1	.	...	Orange Crush	1	..	..	..
60	50	7	13.59	Do. (A)	55	52	51½	51½
5½	4	.	...	Do. (B)	4½	..	..	..
98	90	6	6.52	Ott. L. H. & Pr.	90	92	90	92
104	102¼	6.50	6.31	Do. pref.	103	103	103	103
25	25	.	...	Ott. Traction	25	..	..	..
92⅞	70	5	7.04	Page Hersey	74¾	75	70	71¼
49	28	2.50	...	Paramount	28	..	..	..
35	34	.	...	Paton Mfg.	35	..	..	..
x95	95	7	...	Do. pref.	..	..	..	..
½	¼	.	...	Pelissiers	¼	⅜	⅜	⅜
25	25	.	...	Do. pref.	25	..	..	..
73	40	4	10.00	Penmans	40	..	..	..
101	100	6	6.00	Do. pref.	100	..	..	..
.75	.50	.	...	Perfection Glass	.50	..	..	..
29	18	2	8.51	Photo Eng.	22½	23½	23	23
40	10	.	...	Port Alfred, pf.	10	10	10	10
70	64	7	10.29	Porto Rico P. p.	68	..	..	..
b39½	24	.	...	Postal Tele.	..	..	..	..
63½	46½	2	4.25	Power Corp.	48	48	46½	46½
102	98	6	6.12	Do. pref.	98	98	98	98
4½	3	.	...	Prairie C. Oil.	4	3	3	3
16	10¾	50c	4.44	Pressed Metals	12	11½	11	11
42¾	31	2	6.45	Price Bros.	31½	31½	31	31
99	84	6.50	7.73	Do. pref.	85	84	84	84
49	35	2.50	6.94	Quebec Power	35¼	36	35	35
110	105	7	6.66	Real Estate In.	105	..	..	..
3	2	.	...	Regent Knit.	2	..	..	..
10	5½	.	...	Reliance Grain	10	..	..	..
16	12	3	16.66	River. S. Mills.	12	12	12	12
19½	15⅝	1.50	9.09	Robinson Cone	18	16½	16½	16½
16½	10	1.20	11.70	Rogers Majestic	11½	11½	10¼	11½
291	245	12+2	5.55	Royal Bank	257	257	245	245
84	83	7	8.33	Ruddy, E. L., p.	84	..	..	..
77¾	72½	5	6.89	Russell Motor	73½	72½	72½	72½
95	87¼	7	7.86	Do. pref.	88	89	88	89
7	7	.	...	Sarnia Br. (A).	7	..	..	..
x12	5	.	...	Do. (B)	..	..	..	..
36¾	11¾	1.60	12.80	Serv. Stn. Eq.	14¾	14½	11¾	12
90½	54	6	10.90	Do. pref.	60	60	54	55
59½	39	2.50	6.13	Shawinigan	41	41⅜	40	40½
30	25	1.60	6.40	Sher.-Wms.	27	26	25	25
120¼	117	7	5.88	Do. pref.	120¼	120	118	119
22	15	2.50	16.66	Simon & Son	19	15	15	15
92	88¼	7	7.93	Do. pref.	90	90	88¼	88¼
92½	80	6.50	8.12	Simpsons Ltd.	85	84	80	80
44½	40	2	5.00	Do. (A)	40	..	..	..
35½	24½	.	...	Do. (B)	29	..	..	..
108	104	6	5.60	Simpson, Robt.	105½	107	107	107
4	1	.	...	St. Law. Corp.	1	1	1	1
12	4½	1	...	Do. (A)	4½	4½	4½	4½
20	16¼	.	...	St. Law. Flour.	20	16½	16½	16½
85	82	7	8.23	Do. pref.	85	..	..	..
30⅛	10	3	...	St. Law. Pap. p.	14	13	10	13
30	4	.	...	St. Maur. V., pf.	4	..	..	..
32	25	1	3.92	So. Can. Pr.	25½	26½	25⅛	25⅛
106¼	104¾	6	5.66	Do. pref.	106	106	105	106
16⅛	8½	2	...	St. Pav. & Mat.	10½	10	8½	9
80	70	7	10.00	Do. pref.	76	70	70	70
1	1	.	...	Stanfords	1	..	..	..
15	8	1	12.50	Stand. Chem.	10	8	8	8
9⅞	4	.	...	Stand. Steel	4	4	4	4
35	32	3	9.37	Do. pref.	32	..	..	..
42¼	27¼	1.75	5.83	Steel of Can.	28	30	27¼	29
37	30	1.75	5.83	Do. pref.	30⅛	30¼	30	30
4½	2⅛	.	...	Sterling Coal	2⅛	..	..	..
32½	16½	1	5.71	Super. Pet. Ord.	18½	19	16½	17
105	98	7	7.14	Do. pref.	100½	98	98	98
31	19	1	5.26	Do. com.	22	19	19	19
49	41	.	...	Tamblyn	41	41	41	41
104½	101	7	6.76	Do. pref.	104	103½	103½	103½
30	20	3.50	11.66	Thayers, pref.	30	..	..	..
13	7	.	...	Tip Top Tailors	7	..	..	..
90	79	7	8.86	Do. pref.	85	79	79	79
22	21½	.	...	Tooke Bros.	21½	..	..	..
67	65	7	10.76	Do. pref.	65	..	..	..
15	9½	.	...	Tor. Elevators	11	..	..	..
235	220	12	5.45	Tor. Gen. Trusts	220	..	..	..
115	108	6	5.26	Toronto Mtge.	114	..	..	..
3	1¼	.	...	Traymore	1¼	..	..	..
12½	11	1.40	11.66	Do. pref.	12	..	..	..
126	120	7	5.60	Tuckett Tob. pf.	125	..	..	..
17¼	8	4 (scrip)	..	Twin City	9¼	..	..	..
b62	41¼	7	...	Do. pref.	..	..	..	..
16	9½	1	9.52	Union G. Gas	10½	10½	10½	10½
101½	98	7+1	7.92	Union Trust	100	101	101	101
8	7	.	...	United Fuel	7	..	..	..
65	40	4	8.88	Do. pref.	45	45	45	45
55	49⅝	2	...	United Secs.	50	..	..	..
24¼	8¼	.	...	Viau Biscuit	12	16	16	16
85	75	7	8.56	Do. pref.	81¾	..	..	..
30	20	.	...	Wabasso Cot.	24	20	20	20
8⅝	5	50c	10.00	Walker-Good.	5	5⅜	5	5
7¾	2	.	...	Waterloo Mfg.	4	2	2	2
45	30	1	2.63	Weston	38	38	38	38
90	80	7	8.75	Do. pref.	84	80	80	80
17½	11	1.40	12.72	West. Can. Flour	11	..	..	..
96	85	6.50	7.51	Do. pref.	86	..	..	..
17	10	.	...	West. Grocers	17	..	..	..
55	45	7	14.89	Do. pref.	47	..	..	..
91	85	6.50	7.14	W. St. Prod. pf.	91	..	..	..
x9	9	.	...	Whittall Can.	..	..	..	..
13	10	.	...	Windsor Hotel	12	12	12	12
73	71	6.50	9.15	Do. pref.	71	..	..	..
21½	14	.	...	Winnipeg Elec.	14	14	14	14
81½	69	7	10.14	Do. pref.	69½	69	69	69
‡30	30	.	...	Woods Mfg.	..	..	..	..
40	36	.	...	Do. pref.	36	..	..	..
80	80	7	8.75	Wood, Alex, J. p.	80	..	..	..
x2½	1½	.	...	Zimmerknit	..	..	..	..
7	7	.	...	Do. pref.	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Stock dividend.
b New York quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.

Listed Bond Quotations

Week Ending May 25

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range, 1931 High	Low
Abitibi, 1st Mtge.	5	1953	11.02	52	50½	...	78	50½
Asbestos	5	1942	5.00	105	...	...	100	...
Asbestos, 1st Mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	14	...	...	x41	25
Can. Cons. Rub.	6	1946	...	...	...	...	x104¾	102⅛
Can. Cottons	5	1940	6.32	92	...	...	91	...
Can. Forgings	6	1942	6.00	...	...	...	100	...
Can. Locomotive	6	1951	...	60	...	...	x96	...
Can. Pr. (Laur. ser.)	5½	1958	...	6½	8	6	28½	5
Do., (Way. ser.)	5½	1958	...	6	6	...	28½	6
Can. S.S. deb.	5	1943	...	†99	...	...	x98¼	94
Cedars Rapids	5	1953	4.63	105	105	...	105	101
Dom. Canners	6	1940	..	†104⅛	...	...	x103	...
Dom. Coal	5	1940	...	†98⅛	...	...	x97¾	96⅞
McNish	6	1948	...	†2.25	...	...	3.25	2.25
Mex. L. & Pr.	5	1940	10.05	...	...	...	73¼	70¼
Mont. L. H. & Pr.	4½	1932	...	†100	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	4.86	†101⅛	101⅛	...	101½	99½
Mont. Tr. "A"	5	1955	5.34	†94	95½	95¼	95½	91
Mont. Tr. G.&R. 'B'	5	1955	5.37	95¼	95⅛	...	95⅛	91¾
Do., "C"	4½	1955	5.64	†84	...	...	85	84
Do., "D"	5	1955	5.39	†94	...	...	95¼	92½
N. S. Steel	5	1959	9.03	...	...	...	62⅝	58
Ogilvie Flour "A"	6	1932	5.35	†100⅝	100⅝	...	100⅝	100
Do., "B"	6	1932	...	†100⅝	...	...	x103	100
Do., "C"	6	1932	...	†100⅝	...	...	x103	100
Ont. Steel	6	1943	...	106¾	...	...	...	...
Porto R. Pr.	5	1936	6.79	...	...	...	93	92
Steel of Can.	6	1940	5.08	†106¾	...	...	107½	106¾
Wayagamack	6	1951	...	45	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	6.35	†99	98¾	...	98¾	...
Toronto								
Canada Bread	6	1941	5.86	†101	...	...	101	...
Postal Tel.	6	1953	...	...	...	...	x95	88¾
Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	1.77	101.85	101.70	100.50	101.70	100.00
Do.	5	1937	3.47	108.30	108.05	108.00	108.15	104.00
Victory Loan	5½	1933	3.39	105.25	105.20	105.00	105.25	103.00
Do.	5½	1934	3.85	105.40	105.30	105.10	105.30	102.95
Do.	5½	1937	3.38	112.25	112.40	112.00	112.40	107.05
Do., refund	4½	1940	4.23	102.20	102.05	101.80	102.05	99.40
Do., refund	5	1943	4.37	106.35	106.20	105.80	106.20	103.35
Do., refund	4½	1944	4.30	102.20	102.10	101.90	102.10	99.45
Do., refund	4½	1946	4.30	102.35	102.25	102.20	102.25	99.70
Do., renewal	5½	1932	3.26	†103.10	103.00	102.90	103.10	101.55

†—Latest bid.
x—Quotations for 1930. None recorded in 1931 to date.

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co. Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	Price	Yield
Alberta	4½	1 Oct., 1958	1 Oct.	97.58	4.66
Alberta	5	1 Jul., 1943	1 July	102.58	4.70
Alberta	6	1 Apr., 1936	1 Oct.	105.50	4.75
British Columbia.	4½	1 Oct., 1953	1 Oct.	99.75	4.51
British Columbia.	5	15 Jan., 1948	15 July	104.65	4.60
British Columbia.	6	15 Aug., 1941	15 Aug.	111.12	4.65
Manitoba	4	1 Jul., 1947	1 July	93.67	4.55
Manitoba	5	2 Jun., 1959	2 June	103.50	4.76
Manitoba	5	15 Jun., 1943	15 June	103.77	4.60
New Brunswick	4½	1 Jun., 1948	1 June	100.25	4.48
New Brunswick	4¾	15 Jun., 1936	15 June	101.21	4.50
New Brunswick	6	1 Jan., 1936	1 July	106.42	4.55
Nova Scotia	4½	15 Nov., 1948	15 Nov.	99.75	4.60
Nova Scotia	5	1 May, 1943	1 Nov.	104.74	4.50
Nova Scotia	6	1 Nov., 1936	1 Nov.	106.99	4.55
Ontario	4½	1 Sep., 1944	1 Sept.	101.00	4.40
Ontario	5	15 Oct., 1948	15 Oct.	106.50	4.46
Ontario	6	2 May 1936	2 Nov.	106.88	4.45
P. E. I.	4	1 Apr., 1939	1 Oct.	95.70	4.65
P. E. I.	4½	1 Oct., 1944	1 Oct.	100.00	4.50
Quebec	4½	1 Jun., 1946	1 June	99.45	4.55
Quebec	5	1 Mar., 1964	1 Sept.	109.47	4.45
Saskatchewan	4½	1 Oct., 1944	1 Oct.	98.02	4.70
Saskatchewan	5	1 Oct., 1950	1 Oct.	104.31	4.65
Saskatchewan	6	1 Feb., 1936	1 Aug.	104.38	4.80
Cities					
Montreal	5	1 Sep., 1963	1 Sept.	106.50	4.57
Toronto	4½	1 Sep., 1954	1 Sept.	101.40	4.40
Vancouver	4	1 Aug., 1946	1 Aug.	93.40	4.60
Winnipeg	5	1 Mar., 1944	1 Sept.	103.39	4.65
Windsor	5	1 Dec., 1937	1 June	101.00	4.80
Edmonton	5½	1 May, 1945	1 Oct.	106.11	5.00
Calgary	6	1 Jan., 1943	1 July	100.46	4.95
Halifax	5	1 Jul., 1951	1 July	103.92	4.70
St. John	5	15 Dec., 1950	15 June	103.80	4.70
Regina	4½	1 Jul., 1950	1 July	95.62	4.85
Victoria	5	21 Jul., 1945	21 July	102.07	4.80

Foreign Exchange

	New York Funds High (Premium)	Low	Last Year High (Premium)	Low
May 20	5-64	1-16	5-64	3-64
May 21	5-64	3-64	9-128	3-64
May 22	7-128	3-64	1-8	5-64
May 23	1-32	1-64	3-32	1-16
May 25	....	....	....	....
May 26	1-32	1-64	1-16	1-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
May 20	4.86 11-32	3.91 1-8	5.23 3-8
May 21	4.86 3-8	3.91 1-8	5.23 3-8
May 22	4.86 7-16	3.91 1-8	5.22 3-8
May 23	4.86 13-16	3.91 1-8	5.23 3-8
May 25	4.86 7-16	3.91 1-8	5.23 3-8
May 26	4.86 5-16	3.91 3-8	5.23 3-8

FOREIGN EXCHANGE

Par		May 12	May 19	May 26
5.26	Italian	5.23¼	5.23⅞	5.23⅜
23.80	German	23.82½	23.83	23.76
13.90	Belgian	13.90½	13.91	13.91
49.80	Japanese	49.40	49.45	49.40

Winnipeg Grain Prices

Week to May 26

Crop Year from Aug. 14 High	Low		Open May 20	High for week	Low for week	Close May 26
		Wheat				
1.13⅞	.52½	May	.59⅞	.60⅝	.58	.59⅜
.77¼	.54	July	.60⅞	.61¾	.59⅛	.60⅜
.70¾	.57⅞	October	.62⅝	.63½	.60⅞	.62¼
		Oats				
.52	.26⅜	May	.28¼	.28¼	.27¾	.28⅛
.33½	.26⅜	July	.28⅜	.28⅝	.28	.28½
.34⅛	.27¾	October	.29⅝	.30½	.29¼	.29¾
		Barley				
.49	.27⅞	May	.30¾	.31	.29⅝	.30⅝
.33⅛	.28¼	July	.31½	.31½	.30	.31¼
.35	.25½	October	.32½	.32⅝	.31½	.32⅝
		Flax				
1.32½	.94¼	May	1.06¼	1.08¾	1.06	1.06¾
1.11	.95½	July	1.07¾	1.09½	1.07¼	1.07¾
1.13¾	.99½	October	1.11¼	1.13	1.10	1.11
		Rye				
.71	.25¼	May	.34½	.35	.32⅞	.34
.75	.25⅛	July	.36	.36½	.33½	.35⅜
.40⅛	.31⅞	October	.38⅛	.38⅝	.36¼	.37⅞

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo

Week of May 26

High to date*	Low		Close May 19	High for week	Low for week	Close May 26
		Wheat				
.68⅞	.61¼	July	.64½	.65⅜	.62⅛	.63¼
.70¼	.63½	October	.66½	.67	.64	.65⅜

*Since trading opened March 3, 1931.

Winnipeg Stock Exchange

May 18

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	Home Investment	50	..
Beaver Lumber c.	..	19	Monarch Life	..	32
Do., pref.	90	100	North. Can. Mtge.	15	..
Can. Am. Tr. shs.	..	565	Northern Trust	..	40
Can. Fire Ins.	..	85	Traders Bldg.	87	..
Can. Indemnity	126	..	Un. Gr. Growers	12¾	13
Crescent Creamery.	90	..	West. Breweries	..	3
Gt. West Life	..	510			

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)
May 26, 1931

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.20	.40
Acadia Sugar pfd.	2.00	....
Allens London pfd.	30.00	....
Andian Nat. Corp.	23.50	26.50
Brand. Hend. c.	....	25.00
Brewing Corp. of Can. c.	....	1.15
Brewing Corp. of Can. pfd.	7.50	11.00
B.C. Pulp & Paper com.	1.85	....
B.C. Pulp & Paper 7% pfd.	35.00	50.00
Canada Biscuit pfd.	....	10.00
Can. Crushed Stone pfd.	....	79.00
Can. Dom. Sugar c.	15.00	17.50
Can. Mach. c.	6.00	8.00
Can. Mach. 7% pfd.	20.00	29.00
Can. Packers c.	14.50	16.50
Can. Pack. 7% pfd.	93.00	96.00
Can. Starch pfd.	70.00	....
Can. Wire & Cable pfd. w.w.	98.50	....
Can. Indust. c. "A"	120.00	134.00
Can. Indust. c. "B"	120.00	134.00
Can. Indust. 7% pf.	122.00	....
Can. Investors c.	10.00	14.00
Can. Westinghouse.	....	70.00
Chase, A. W. 8% pf.	42.00	47.00
Cons. Oka Sand & Gravel c.	4.00	7.50
Copeland Flour 6% pfd.	....	16.50
Dom. Foundries & Steel pfd.	65.00	69.00
Dom. Foundries & Steel com.	8.00	10.00
Dom. Mfrs. pfd.	70.00	....
Dunlop Tire 7% pfd.	98.00	103.00
Eastern Car 6% pfd.	62.00	....
Eastern Dairies 7% pfd.	95.00	100.00
Edmonton Stk. Yds. pfd. bonus	....	75.00
Goderich Elev. & Transit	15.00	17.50
Greening Wire 7% pfd.	92.00	98.00
Guardian Rlty. pfd.	51.50	....
Harding Carpet pfd.	....	69.00
Inter-City Bak. c.	44.00	....
Internat. Proprietaries "A"	....	34.00
King Edward Hotel "A"	....	24.00
Loew's London c.	....	2.00
Loew's London 7% pfd.	2.50	4.00
Mansfield Theatre pf.	50.00	..
Mansfield Theatre pfd.	60.00	....
Morrow Screw Nut 7% pfd.	94.00	....
Nat. Grocers c.	1.05	....
Nat. Grocers 2nd 7% pfd.	43.50	51.00
Para. Oshawa c.	9.50	....
Prov. Paper pfd.	....	85.00
Rolland Paper pfd. bonus	55.00	65.00
Stand. Clay Prod. c.	25.00	....
Stand. Fuel pfd. bonus	73.00	81.00
Supertest Petroleum "B" pfd.	18.00	24.00
Toronto Brick pfd.	65.50	....
Toronto Carpet c.	110.00	....
Toronto Carpet 8% pfd.	99.00	....
Toronto Elevator 7% pfd.	....	90.00
Toronto Housing c.	29.50	....
Un. Amusem't "A"	25.50	....
Willards Choc. 8% pfd.	....	60.00
Willards Choc. c.	....	4.60
Insurance Stocks:		
Br. Amer. Assce.	40.00	....
Canada Life Assur.	675.00	725.00
Canada Nat. Fire.	27.00	32.00
Can. Fire Ins.	75.00	85.00
Cap. Life 20% pd.	....	23.50
Comm. Life 10% pd.	....	24.50
Confed. Life 20% pd.	250.00	300.00
Continental Life 20% pd.	70.00	....
Crown Life	265.00	....
Dominion Fire	105.00	130.00
Dom. of Can. Gen.	210.00	....
Dom. Life 50% pd.	315.00	370.00
Excelsior Life 30% pd.	110.00	130.00
Fed. Fire 25% pd.	30.00	....
Fidelity Ins. of Can.	....	110.00
Great West Life	480.00	520.00
Guarantee Co. of N. A.	240.00	....
Imperial Life	405.00	....
Mfrs. Life	300.00	340.00
Monarch Life 10% pd.	29.00	33.25
Nat. Life 25% pd.	115.00	130.00
Saskatchewan Life 10% pd.	13.00	20.00
Sovereign Life 25% pd.	28.75	32.00
Sun Life Assur.	1150.	1350.
Western Assur. c.	43.50	....
Western Life 20% pd.	10.00	....
Trust, Loan and Bank Stocks:		
Br. Mtg. & Trust.	172.50	....
Can. Gen. Invest. Trust 1st	....	45.00
2nd Can. Gen. Inv.	....	12.50
Chartered Trust	102.00	115.00
Comm. Fin. pfd.	48.25	57.00
Comm. Fin. c.	4.00	....
Deb. & Sec. c.	71.00	....
Deb. & Sec. pfd.	61.00	70.00
Guelph & Ont. Inv. par $50	60.00	65.00
Lambton Loan & Savings	78.50	....
London & Western Trust	....	170.00
Midland Loan & Savings	17.00	25.00
Mtge. Discount pfd.	3.75	4.75
Mutual Finance pfd.	....	6.75
Provincial Bank	120.00	130.00
Sec. Loan & Sav.	110.00	....
Sherbrooke Trust	113.00	....
Sterling Trust	85.50	....
Traders Fin. pfd.	....	80.00
Traders Finance c.	....	15.00
Trusts & Guarantee	85.00	90.00
Waterloo Trust & Savings	120.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	103.50	105.50
Calgary Pwr. pfd.	91.00	93.00
Can. Light & Pwr. com.	33.00	42.00
Can. Northern Pwr. pfd.	105.00	108.00
Can. West. Nat. Gas LH&P com.	60.00	....
Can. West. Nat. Gas LH&P pfd.	85.00	90.00
East Kootenay Pwr. pfd.	95.00	100.00
Great Lakes Power pfd.	93.00	96.00
N.B. Pwr. 1st pfd.	55.00	....
N.S. L&P pfd.	92.00	97.00
Ottawa LH&P 6½% pfd.	102.50	....
Power Corp. 6% pf.	98.00	102.00

Recent London Quotations:

Brewer Distillers	4s. 3d.
Can. & For. Sec.	8s. 9d.
Can. West. Lumber	2s. 3d.
Hudson's Bay	23s. 9d.
Do., 5% pfd.	67s. 6d.
Internat. Holdings	2
Nfld. Pr. & Pap. deb. stk.	105

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Agnew Surpass pfd.	7%	1¾%	July 2	June 15
Andian National	...	$1	June 12	June 2
Assoc. Breweries	$1	25c	June 30	June 15
Do., pref.	7%	1¾%	July 1	June 15
Belding Corticelli, com.	7%	1¾%	Aug. 1	July 15
Bk. Can. Nationale	10%	2½%	June 1	May 15
Bank of Montreal	12+2%	3%	June 1	Apr. 30
Bank of Nova Scotia	16%	4%	July 2	June 15
British Amer. Oil	80c	20c	July 2	June 13
Bk. of Toronto	12+1%	3%	June 1	May 15
Brazilian Tr.	...	*Stk. div.	June 1	Apr. 30
Belding Corticelli pfd.	7%	1¾%	June 15	May 30
Building Products "A"	$2	50c	July 2	June 15
Can. Wire & Cable "A"	$4	$1	June 15	May 31
Do.	...	$1	Sept. 15	Aug. 31
Do.	...	$1	Dec. 15	Nov. 30
Can. Wire & Cable "B"	$1.75	43¾c	June 15	May 31
Can. Wire & Cable pref.	6½%	1⅝%	June 15	May 31
Canada Vinegars	$1.60	40c.	June 1	May 15
Can. Bank of Commerce	12+1%	3%	June 1	Apr. 30
Canadian Oil, pref.	$8	$2	July 1	June 20
Can. Hydro Elec. pfd.	6%	1½%	June 1	May
Canadian Car, ord.	$1.75	44c	May 30	May 15
Canadian Car, pref.	$1.75	44c	July 10	June 25
Can. Intern. Invest. pfd.	5%	1¼%	June 1	May 15
Can. Pacific Rly. ord.	5%	1¼%	June 30	June 1
Can. Cotton, pref.	6%	1½%	July 4	June 20
Crow's Nest Coal	$3	75c	June 1	May 8
Canada Cement, pref.	6½%	1⅝%	June 30	May 30
Canada Permanent Mtge.	12%	3%	July 2	June 15
Canada Paving, pref.	7%	1¾%	June 1	May 15
Can. Canners 1st pfd.	6%	1½%	July 2	June 15
Do., conv. pref.	80c	20c	July 2	June 15
Do., com.	50c	12½c	July 2	June 15
Can. Gen. Electric	$4	$1	July 1	June 13
Do., pref.	7%	1¾%	July 1	June 13
Cooksville Co. pref.	4%	1%	June 16	May 30
Dominion Bridge	$3	75c	Aug. 15	July 31
Dominion Bank	12+1%	3%	July 2	June 20
Dominion Glass	7%	1¾%	July 2	June 15
Do., pref.	7%	1¾%	July 2	June 15
Dominion Textile	$5	$1.25	July 2	June 15
Do., pref.	7%	1¾%	July 15	June 30
David & Frere "A"	$2.25	57c	June 15	May 30
De Forest Crosley	...	†20c	June 1	May 15
East Koot. Pr. pref.	7%	1¾%	June 15	May 30
Eastern Theatres, com.	$2	50c	June 1	Apr. 30
Famous Players	$2	50c	June 27	June 5
Ford Motor	$1.20	60c	June 20	May 29
Ham. United Theatres, pfd.	7%	1¾%	June 30	May 30
Inter. Milling 1st pfd.	7%	1¾%	June 1	May 20
Do., Series "A" pfd.	6%	1½%	June 1	May 20
Inter. Nickel, com.	60c	15c	June 30	June 1
Imperial Oil	50c	12½c	June 1	May 15
Inter. Petroleum	$1	25c	June 15	May 30
Inter. Proprietaries "A"	$2.60	65c	June 15	May 25
Imperial Tobacco, com.	7%	1¾%	June 30	June 3
Jam. Public Ser. Ltd.	$1	25c	July 2	June 15
Jam. Public Ser., pref.	$7	$1.75	July 2	June 15
Lake Shore Mines	$1.20	30+30c	June 15	June 1
Loblaw Grocet. "A" & "B"	80c	20c	June 1	May 12
Laura Secord, c.	$3	75c	June 1	May 15
Lake of Woods pref.	7%	1¾%	June 1	May 16
Legare, P. T., pref.	7%	1¾%	June 1	May 15
Lindsay's	$1	25c	June 1	May 15
Do., pref.	6½%	1⅝%	June 1	May 15
London Can. Invest. pfd.	5%	1¼%	June 1	May 15
Morrison Brass, pfd.	7%	1¾%	June 1	May 15
McIntyre Mines	20%	5%	June 1	May 1
McColl Frontenac, com.	60c	15c	June 15	May 15
Mercury Oils	...	5c	July 2	June 15
Montreal Cotton	6%	1½%	June 15	May 30
Do., pref.	7%	1¾%	June 15	May 30
Montreal Loan	12+1%	3%	June 15	May 31
New Method Laundry pfd.	6½%	1⅝%	June 1	May 23
N. S. Light, pref.	6%	1½%	June 1	May 16
Ogilvie Flour pref.	$7	$1.75	June 1	May 20
Photo Engravers	$2	50c	June 1	May 15
Provincial Bank	9%	2¼%	June 1	May 15
Reliance Grain, pref.	6½%	1⅝%	June 15	May 31
Rogers-Majestic "A" & "B"	$1.20	30c	June 1	May 18
Rolland Paper pfd.	6%	1½%	June 1	May 15
Royal Bank	12+2%	3%	June 1	Apr. 30
Simon, H. & Sons	$2.50	62½c	June 1	May 20
Do., pref.	$7	$1.75	June 1	May 20
Sher. Williams	$1.60	40c	June 30	June 15
Do., pref.	7%	1¾%	June 30	June 15
Standard Steel pref. "A"	$3	75c	July 1	June 15
Sylvanite Gold	4%	2%	June 30	May 29
Service Stations pref.	6%	1½%	Aug. 1	July 15
Do., Series "A" pref.	6%	1½%	Aug. 1	July 15
Do., Class "A" & "B"	$1.60	40c	July 2	June 15
Standard Chemical	...	$1	June 26	May 26
Union Natural Gas	$1	25c	June 10	May 30
Windsor Hotel, pref.	6½%	1⅝%	June 1	May 15
Walker, Hiram	50c	12½c	June 15	May 22
Wellington Oil & Gas	...	5c	....	May 15

*One share for each 50 shares held. †Extra dividend.

Bongard & Company

Members:
Toronto Stock Exchange
Montreal Stock Exchange
Winnipeg Grain Exchange
Montreal Curb Market
New York Curb (Assoc.)
Chicago Board of Trade

80 King St. W., Toronto
*Elgin 5381

LONDON, ENG.
NEW YORK
MONTREAL
GUELPH
WINDSOR
KITCHENER

The
Willison Neely Corporation
Limited

DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds

CANADIAN PACIFIC BUILDING TORONTO

MONTREAL LONDON HAMILTON OTTAWA WINNIPEG

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol
(ALL FORMULAE)

We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.

Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

SOUND INVESTMENT COUNSEL

W. C. Pitfield & Company

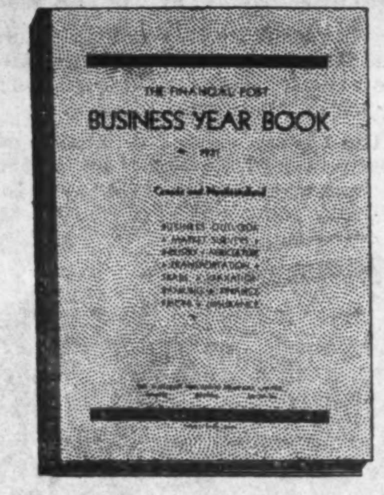
Montreal, Toronto, Ottawa, Quebec,
Vancouver, Saint John, Halifax,
London, England

COGHLIN
SPRINGS AND TRACK TOOLS

For 60 years Canada's foremost Manufacturers of Railway and Machinery Springs and Track Tools.

There is an unrivalled quality to *COGHLIN Products* that Canadian Manufacturers appreciate.

B. J. **COGHLIN** CO.
LIMITED
3320 ONTARIO ST. EAST, MONTREAL
ESTABLISHED 1869



THE FINANCIAL POST
BUSINESS YEAR BOOK
Canada and Newfoundland

A comprehensive economic survey of Canada and Newfoundland, giving reviews of industries and resources, production, markets and buying power, foreign trade, finances, taxation, succession duties and all other aspects of economic activity and development. Latest statistical information illustrated with explanatory charts and diagrams. Over 220 pages. Copies may be secured for $2.

ORDER COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Attached is $2.00. Send me a copy of The Financial Post Business Year Book, 1931.

Name ....
Address ....

666

A. J. Pattison, Jr. & Co.
LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

KING ED. HOTEL HAD LOSS IN 1930 OF $329,773 NET

Made All Possible Economies and Hopes For Improved Earnings

LIQUID ASSETS WEAK

Earned Surplus of $262,268 Changed Into Deficit of $143,001 — Capital Surplus Increased

King Edward Hotel Co., reporting a small volume of patronage in 1930 because of depressed business conditions, had in consequence a net loss of $389,773 as compared with a net profit of $5,546 in 1929 and a net profit of $329,856 in 1928. Frank A. Dudley, president, states that the company has made all economies which experience seems to justify without prejudice to the high quality of service and food, and that "with a partial revival of business and the expected increase in tourist traffic. we are looking forward to a considerable increase in our net earnings."

The current earned surplus of $262,268 at the beginning of 1930 was changed into a net deficit of $143,001 by the operating results of the year including the using of $13,981 to write off bad debts and $1,514 to make sundry adjustments applicable to former years. The capital surplus of $193,788 was increased to $200,277 in 1930 because in retiring $33,500 8 per cent general mortgage debenture stock through the sinking fund there was a difference of $6,489 between the market price and par value.

Current assets of $117,530 are only 16 per cent of current liabilities of $722,171. Current assets are made up of $23,568 cash, $72,360 accounts receivable, $2,022 due from affiliated companies and $19,580 for inventories of foodstuffs and supplies at cost. Current liabilities represent $55,000 for secured notes payable to bankers, $123,130 for accounts payable, $308,129 due to affiliated companies for secured notes payable and accrued interest and $235,913 for accrued interest, taxes, wages and miscellaneous expenses.

Among its assets the company also shows $343,850 for investments at cost (including company's debenture stock $396,000 par value). Fixed assets are shown at $7,264,906 after deducting $714,162 as a reserve for depreciation. Peat, Marwick, Mitchell, auditors, state that in their opinion this reserve for depreciation is inadequate and also that they consider the reserve for bad and doubtful debts is inadequate.

The funded debt as shown on the latest balance sheet includes $2,150,000 7 per cent first mortgage bonds due March 1, 1938, $1,145,000 7 per cent refunding bonds due March 1, 1944, and $3,271,400 8 per cent general mortgage debenture stock due 1936, sinking fund provisions applying to each issue. The company also has a contingent liability of $15,000 with respect to a lawsuit.

Mr. Dudley states that the plan of readjustment of the financial structure of the company and the taking care of its maturing obligations has been carried out and made effective.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1930	1929	1928
	$	$	$
Net profit	*389,773	5,546	329,856
Less: Divs.	......	90,000	160,000
Bonus	......	......	10,000
Surp. for year	*389,773	*84,454	159,856
Add: Prev. surp.	262,268	352,546	181,891
Tax adj.	......	......	10,799
Deb. canc.	......	3,934	......
Less: Tax adj.	......	9,758	......
Bad. debts w/o	13,981	......	......
Sundry adj.	1,514	......	......
Bal. forward	*143,001	262,268	352,546
Capital surp. for.	193,788	175,699	169,523
Add: Adjust.	......	6,489	6,176
Deb. cancelled	6,489	11,600	......
Bal. forward	200,277	193,788	175,699
Total surp. for.	57,276	456,056	351,414

*Loss.

Propose Deferring Action On Detroit Bridge Bonds

An attitude of watchful waiting is recommended to bondholders and debenture holders of Detroit International Bridge Co. in letters recently forwarded by the respective protective committees. More favorable results may be expected from future operations, it is believed, and in order that the earning power of the bridge can be more definitely ascertained it is considered that plans for any form of reorganization can be deferred.

Traffic for the first four months of the year was under that of the first four months of 1930, but it is stated that this was due entirely to special causes which, the letter infers, are not expected to appear again. Results for April, 1931, showed a gain of 37.7 per cent over March, while the traffic by tunnel was only 25.7 per cent better in April than in March.

C. G. ELECTRIC EARNS DIVIDEND BY GOOD MARGIN

Official Announcement Says Some Departments Ahead of Last Year

Canadian General Electric Co. common dividend at the rate of $4 per year has been declared for the second quarter, along with the regular 1¾ per cent on the preferred stock of $50 par value.

While it is understood that earnings for the first four months of the current year were somewhat under those for the corresponding period of the previous year, it is stated that the dividends on the present basis were earned by a good margin.

It is said that sales of lamps and electrical household equipment, including refrigerators, are well maintained and, in most cases, show a gain over the previous year.

For 1930, the company paid $3 on its common stock, with an extra of $1 at the close of the year. With the first quarter of the present year the regular rate became $4 annually. The 1930 payments were the first since 1924. The 1930 common earnings after all deductions were $16.77 per share, compared with $20.28 in the previous year.

To Make Radios

The company has yesterday announced the arrangement of new manufacturing facilities devoted exclusively to the production of radio receiving sets and employing additional workers.

Already more than 5,000 people are employed by the C. G. E., which is the largest electrical organization in Canada, and the further development of its radio manufacturing activities, which means greater production and increased employment for Canadians, is accepted as a significant and outstanding event at this period of the country's growth.

In embarking on a more extensive programme of radio manufacture the Canadian General Electric will soon announce a new line of totally Canadian manufactured receiving sets, according to D. C. Durland, president of that company. The super-heterodyne circuit will be employed in all sets and the products will be placed on the market at prices never before thought possible for this superior type of radio.

C. A. Parsons Locates In West

The C. A. Parsons Manufacturing Company of England, manufacturers of steam turbines, have just established their headquarters for Western Canada in Moose Jaw.

Mining Stock Quotations

Week End ing May 25

Par Val.	Range High	1931 Low	Company	Close May 18 (or last)	High for week	Low for week	Close May 25
1	.23	.08½	Abana	.09	.10	.08½	.09
1	.03	.01	Aconda	.01½	....	....	....
1	.05½	.03½	Adrien	.04½	....	....	....
None	.50	.12	Aldermac	.25	....	....	....
1	.05	.01	Algonquin	.01	.01½	.01	.01
1	.02½	.01	Amity C.	.01½	.01½	.01½	.01½
None	.45	.24½	Amulet	.24½	.26½	.25	.25
1	.02½	.01	Apex	.01½	.01½	.01½	.01½
1	.05	.01½	Area	.02	.02½	.01½	.02
1	.01	.00½	Argo. Cons.	.00½	....	....	....
1	.08½	.01½	Arno	.05	.05	.04½	.04½
1	.01½	.01½	Astoria	.01½	....	....	....
1	.02	.00½	Atlas	.01	....	....	....
1	.02½	.01	Baldwin	.01	.01½	.01	.01½
1	.19½	.08	Barry Holl.	.13	.13½	.11	.11
None	1.45	.90	Base Metals	.90	1.00	1.00	1.00
None	.04	.00½	Bathurst	.01½	.02½	.01½	.02½
5	1.75	1.25	B'Wana	1.25	....	....	....
1	.28	.26	Ben Nevis	.27	....	....	....
None	.09½	.03½	Bidgood	.05	.05	.04	.05
1	.50	.25	Big Missouri	.30	.30	.25	.26
1	.05½	.04½	Blue Quartz	.04½	....	....	....
1	.12	.02	Bobjo	.04	.04½	.03½	.03½
None	.01	.00½	Boischatel	.00½	....	....	....
1	.08	.02	Brett Trethewey	.02½	.02	.02	.02
1	.03	.03	Brit. Canadian	.03	....	....	....
None	.12	.03½	Brownlee	.04	.04	.03½	.03½
1	.02	.00½	Buckingham	.01	....	....	....
1	.08½	.03	Bunker Hill	.03½	.03½	.03	.03
None	.03	.01	Cal. Flin Flon	.01	.01	.01	.01
1	.02	.01	Cambro Kirk.	.02	....	....	....
None	.05½	.02½	Canam Metals	.04	....	....	....
1	.06½	.01½	Can. Kirk.	.02	.02½	.02	.02½
1	.02	.02	Can. Lorraine	.02	....	....	....
1	.23½	.12	Canusa	.29	.22	.21	.21
1	.04½	.00½	Capital R.	.02½	....	....	....
1	.26½	.15	Castle Tre.	.15	.15½	.15½	.15½
1	.23	.03	Can. Manitoba	.09	.09	.06	.06
1	.08	.02½	Cen. Patricia	.03½	....	....	....
1	.02	.01½	Champion R.	.02	....	....	....
None	.59	.02	Chib Pros.	.20	.20	.20	.20
None	.08	.02½	Clericy	.04	.03½	.02½	.02½
5	10.50	3.00	Coast Copper	4.00	4.00	3.00	3.00
1	.05	.01½	Cobalt Con.	.03½	.03½	.02	.02½
1	.02	.00½	Col. Kirk.	.01½	....	....	....
1	.39	.05	Columario	.15	.15½	.10	.12
5	.80	.50	Coniagas	.65	....	....	....
5	.62	.30	Coniaurum	.40	.40	.40	.40
25	188.25	82.00	Cons Smelter	90.00	88.00	82.00	82.50
1	.01	.00½	Corona	.01	....	....	....
1	.02½	.00½	Crown Res.	.01½	....	....	....
	.29½	.26½	Crudome	.28½	....	....	....
None	.17	.03	Dom. Explor.	.05	.05	.05	.05
1	.03	.00½	Dom. Kirk.	.01	....	....	....
None	13.25	9.00	Dome Mines	11.10	11.00	10.00	10.05
1	.01	.00½	Don Rouyn	.01	.01	.01	.01
1	.01	.00½	Dunkin	.00½	....	....	....
1	.02	.00½	Duprat	.01½	....	....	....
1	1.28	.20	Eldorado	.60	.65	.57	.63
None	1.70	1.25	Falconbridge	1.25	1.25	1.25	1.25
1	.08½	.02½	Federal	.03	.03	.02½	.02½
None	.01½	.00½	Flintoba	.00½	.01	.01	.01
None	.30	.07½	Gem Lake	.07½	.12	.08	.09
None	.03½	.03	Gilbec	.03	....	....	....
1	.08	.02½	Goldale	.04½	....	....	....
10	.25	.15	Goldfield	.18½	....	....	....
1	.01½	.00½	Gold Hill	.00½	.00½	.00½	.00½
1	.11	.02½	Goldfish	.05	.05	.05	.05
1	.04	.00½	Graham	.01½	....	....	....
None	2.30	1.40	Granada	1.85	1.75	1.64	1.64
1	.10½	.06	Grozelle	.09	.10	.09	.09½
1	.03	.01	Harker	.02	.02½	.02	.02
1	.04½	.00½	Hilltop	.02½	.03	.02½	.02½
5	8.70	6.00	Hollinger	7.25	7.15	6.70	6.80
1	.38	.24	Howey Gold	.29	.29	.27	.29
None	6.30	3.99	Hudson Bay	4.05	4.05	3.99	3.99
None	.40	.31	Huronian	.33	.38	.37	.38
None	20.50	11.37	Int. Nickel	12.00	12.87	11.50	12.00
1	.03	.01	Jackson M.	.01	.01	.01	.01
1	.34	.25	Keeley	.26	....	....	....
1	.04½	.01	Keora M	.01	.01	.01	.01
1	.27½	.27½	Kirk. Hud. Bay	.27½	....	....	....
1	.03	.01	Kirk. Hunt	.01½	....	....	....
1	.93	.55	Kirk Lake	.74	.75	.67	.69
1	.08	.01	Kirk. Prem.	.02	.01½	.01½	.01½
1	.13½	.07	Kirk. Town.	.09	.10	.08	.09
20c.	.02½	.00½	Koot. Flor.	.01	.01	.00½	.00½
1	.02	.00½	La Rose	.01½	....	....	....
	.69	.65	Lakeland	.65	....	....	....
1	28.50	23.50	Lake Shore	27.75	28.00	27.00	27.25
1	.02	.01	Laval	.01	....	....	....
1	.02	.01½	Lebel Oro	.02	....	....	....
None	.35	.35	Locarno	.35	....	....	....
1	.55	.10	Macassa	.39	.38	.35	.35
1	.12	.02	Malartic	.05	.07	.05	.07
None	.15	.06	Mandy	.10	.10	.10	.10
None	.06	.02	Man. Basin	.03	.03½	.03	.03½
1	.55	.30	McKinley	.50	....	....	....
5	26.50	20.50	McIntyre	22.65	22.50	20.50	20.80
None	.33	.10	McLeod River	.10	.10	.10	.10
1	.04	.04	McVittie	.40	....	....	....
1	.29	.12	MacMillan	.12	....	....	....
1	.01½	.00½	Millcrest	.01	....	....	....
5	2.84	1.46	Mining Corp.	2.05	2.23	2.00	2.17
1	.09½	.01	Moffatt Hall	.05½	.05½	.04½	.04½
1	.04	.02	Moneta	.03	....	....	....
1	.00½	.00½	Mtl. Rouyn	.00½	....	....	....
1	.63	.20	Moss	.35½	.35½	.34	.34
1	.09	.01	Murphy	.03½	.03½	.03	.03
1	.07½	.03½	Newbec	.03½	.04	.03½	.03½
1	.40	.25	Nevada	.25	....	....	....
1	.09	.02	Night Hawk	.04	.03	.03	.03
5	1.90	1.10	Nipissing	1.15	1.15	1.10	1.10
None	29.65	14.00	Noranda	21.50	21.85	18.50	18.75
1	.50	.30	Nor. Canada	.30	.30	.30	.30
None	.03	.01	Old Colony	.01	.01½	.01½	.01½
1	.01	.00½	Ophir	.00½	....	....	....
1	.10½	.04½	Oriole	.04½	....	....	....
1	.21	.07	Osisko	.10	.10	.10	.10
1	.25	.23	Parkhill	.23	....	....	....
1	.15	.14	Patricia Dent.	.14½	.14½	.14½	.14½
1	.04	.01½	Pawnee Kirk.	.03	.03	.03	.03
None	1.61	.70	Pend. Ore.	.90	.90	.80	.80
1	.04½	.01	Pete Cobalt	.01	.01	.01	.01
	.50	.50	Phy. Molybd.	.50	....	....	....
1	.01½	.00½	Picard	.00½	....	....	....
1	.12	.07	Pioneer	.08	....	....	....
1	.02½	.00½	Porc. Crown	.01	.01	.01	.01
1	.02	.00½	Potter Doal	.00½	.00½	.00½	.00½
1	.45	.37½	Powell Ryn.	.41	....	....	....
1	.99	.65	Prem. Gold	.71	.77	.70	.77
1	.02½	.00½	Preston E. Dome	.00½	....	....	....
1	.25	.13	Quemont	.18	....	....	....
1	.03½	.00½	Ribago	.01	....	....	....
1	.34	.24	Rich. Rock	.33	....	....	....
1	.15	.03½	Ritchie	.05	.04½	.03½	.03½
1	.04	.00½	R. Montbray	.01½	....	....	....
1	.05	.04	Rubec	.04	....	....	....
None	.25	.10½	San Antonio	.17	.16	.14½	.14½
1	.21	.15	Seven Troughs	.16	.16	.15	.15
1	1.25	.59	Sherritt G.	.71	.72	.59	.60
1	.55	.36	Siscoe	.46	.46	.40	.42
1	.18	.03½	So. Keora	.05	....	....	....
None	.05	.02	Stadacona	.02½	.02½	.02	.02½
1	.30	.03½	St. Anthony	.07	.07½	.07	.07
None	.82	.51	Sud. Basin	.60	.60	.51	.55
1	.03	.01	Sud. Contact	.02	....	....	....
1	.03½	.00½	Sudbury M.	.01½	.01½	.01½	.01½
None	.04½	.01	Sudbury N.	.03	....	....	....
	.18	.14	Sullivan	.16	.16	.14	.15
1	1.14	.48	Sylvanite	.80	.80	.71	.71
1	.20½	.04	Tashota	.12½	.13	.10	.10
1	8.65	6.15	Teck Hughes	7.30	7.30	6.95	7.00
1	.10½	.02	Telluride	.02	.02	.02	.02
1	.01½	.01½	Temiskaming	.01½	....	....	....
1	.06½	.02½	Thom Cad'c	.04	....	....	....
1	.02½	.00½	Tough Oakes	.01	....	....	....
1	.63	.20	Towagmac	.30	.31	.31	.31
None	2.65	1.00	Treadwell	1.75	....	....	....
None	2.85	2.40	Tri-Metals	2.85	....	....	....
	.15	.04½	United Kirk.	.08	.07	.06½	.06½
	.03	.02	Vacuum Gas	.02	....	....	....
None	.86	.40	Ventures	.45½	.45	.41	.42½
1	.15	.01½	Vickers	.09½	....	....	....
1	1.22	.85	Vipond	.95	.95	.85	.85
None	2.00	1.05	Waite Ack.	1.05	1.25	1.05	1.05
1	.02½	.01	West Tree	.01	....	....	....
1	.27	.07	White Lake	.07	.09	.09	.09
1	.06	.02	Wiltsey	.04½	....	....	....
None	.01½	.00½	Windfall R.	.01	....	....	....
	.13	.06	Wood Kirk.	.07	.07	.07	.07
None	3.14	1.85	Wright-Har.	2.87	2.90	2.65	2.74
			WESTERN OIL STOCKS				
1	.30	.16	Acme	.21½	.22	.20	.20
None	.50	.50	Advance	.50	....	....	....
1	.37½	.16½	Alta. Pac.	.17	.18	.16½	.17
1	.08	.07	Amalgamated	.08	....	....	....
None	.25	.08	Associated	.10	.13	.09	.09
1	1.89	1.23	Ajax	1.30	1.29	1.23	1.23
None	.12	.04	Baltac	.04	.04	.04	.04
1	.07	.05	Black Dia.	.05	....	....	....
1	.33½	.12	Brit. Dom.	.12	.12	.12	.12
1	.32	.07	Calmont	.08½	.09	.07	.07
None	.82	.30	Calgary & Ed.	.34	.38	.35	.38
1	.47	.12	Comm. Pete.	.16½	.16½	.13	.14
None	.60	.20	Dalhousie	.27	.25	.20	.21
None	.08	.02	Devenish	.03	.02	.02	.02
None	.12	.04	Dome Oil	.05	.05½	.04	.05
None	.69	.25	E. Crest	.33	.32	.25	.25
1	.05	.02	Fabyan Pete.	.02	.02	.02	.02
None	.60	.25	Foothills	.35	.25	.25	.25
None	.18½	.04½	Freehold	.05	.05½	.04½	.04½
1	.02	.01	Great West	.01½	.01	.01	.01
None	.17	.05	Hargal	.07	.07	.07	.07
None	.10	.03½	Herron Pete.	.03½	....	....	....
None	.07½	.05	High Sarcee	.05	....	....	....
None	2.00	.50	Home	.58	.55	.50	.50
None	.22	.06	Homestead	.07½	.07	.06	.06
1	1.70	.85	Homest'd O.& G.	1.50	1.57	1.35	1.40
1	.08½	.01	Ill. Alta	.01½	.01½	.01	.01
None	.70	.17	Lowery	.17	....	....	....
1	.05	.01½	Madison	.01½	.01½	.01½	.01½
1	.85	.39	Mayland	.40	....	....	....
None	.11	.03½	McD. S. Ex.	.04	.03½	.03½	.03½
1	.29	.05	McD. S. M.	.05	....	....	....
1	.72½	.28	McLeod	.30	.29	.28	.29
None	.39	.14	Mercury	.17½	.20	.17	.17½
None	.20	.08	Merland	.13½	.14	.11	.12½
1	.18	.09	Mid West	.09	....	....	....
None	.38	.10½	Mill City Pete	.15½	.11	.10½	.10½
1	.49	.15	Model	.25	.26	.25	.25½
1	.18	.03	Monalta	.03	....	....	....
1	.31	.07	Moose M.	.07	....	....	....
1	.04	.02	New Federal	.02	....	....	....
None	.56	.25	Nordon	.30	.30	.25	.25
None	.08½	.02½	Oil Select	.05½	.08	.05½	.07½
None	.28	.06½	Okalta	.08½	.08	.06½	.07½
100	27.00	25.00	Do., Pref.	25.00	....	....	....
None	.22	.05	Olga Gas & Oil	.12	.11	.10	.10
1	.37½	.24	Petrol	.26	.26	.26	.26
None	.28	.03	Penn. Pete.	.04½	.04½	.03	.03
None	.25	.12	Ranchmen's	.14½	.13½	.12	.12
1	.05	.01½	Regent	.02	.01½	.01½	.01½
None	.13	.05	Richfield	.05	.05½	.05	.05½
None	17.75	7.00	Royalite	8.00	9.00	7.00	9.00
1	.82	.40	Sarnia Oil	.53	.60	.55	.56
1	.06½	.03	Signal Hill	.03½	.03½	.03	.03
None	.27	.10	So. West Pete.	.13	.12	.10½	.10½
1	.60	.25	Spooner	.25	.25	.25	.25
None	.19	.09	Sterling Pac.	.10	.11	.10½	.11
	.15	.15	Turner Basin	.15	....	....	....
1	.16	.12	Turner Valley	.12	....	....	....
None	.31	.10	United	.10½	.10	.10	.10
1	.15½	.09	Vulcan	.13	.10	.10	.10
None	.05	.01½	Wainwell	.01½	.02	.01½	.01½
1	.28	.10	Waite Valley	.10	....	....	....
			VANCOUVER STOCK EXCHANGE (Transactions for Week to May 20)				
25c.	.01	.00½	Bayview	.01	....	....	....
25c.	.07	.01	Beaver Silver	.04½	.05	.05	.05
25c.	.02½	.02	Bluebird	.02	....	....	....
25c.	.70	.50	B. C. Silver	.50	....	....	....
25c.	.02	.00½	Cork Province	.01	....	....	....
1	.20	.12	Cotton Belt	.14	.15	.12	.12
1	.04	.02	Dunwell	.02	....	....	....
1	.10	.05	Duthie	.05	.05	.05	.05
1	.90	.50	George Copper	.50	.50	.50	.50
50c.	.05	.03	Geo. Enterprise	.03	....	....	....
1	.05	.01½	Georgia River	.03	.04	.03	.03
50c.	.02½	.02½	Glacier	.02½	....	....	....
10c.	.01	.01	Gladstone	.01	....	....	....
1	.45	.24	Golconda	.30	.26	.24	.24
50c.	.07½	.03	Grandview	.03	.04	.03	.03
None	27.50	27.50	Howe Sound	27.50	....	....	....
1	.17½	.11	Intern. Coal	.15	....	....	....
1	.01½	.01	Independence	.01	....	....	....
1	.01½	.01	Indian Mines	.01	....	....	....
1	.43	.30	Jack Waite	.30	....	....	....
25c.	.02	.00½	Kootenay King	.02	.01½	.01½	.01½
25c.	.00½	.00½	Lakeview	.00½	....	....	....
25c.	.01	.00½	L. & L.	.01	....	....	....
1	.12½	.08	Lorne Gold	.09	.12½	.09½	.10
1	.12	.12	Los Ang. Van.	.12	....	....	....
10c.	.03½	.01½	Lucky Jim	.02	....	....	....
2.50	.01	.00½	Marmot Gold	.01	....	....	....
50c.	.01	.00½	Marmot Metals	.00½	....	....	....
25c.	.00½	.00½	Mohawk	.00½	....	....	....
1	.25	.14	Montana Mines	.25	....	....	....
1	.05	.02½	Morton Woosley	.02½	....	....	....
50c.	.03½	.02	National Silver	.02½	.02	.02	.02
50c.	.09½	.04	Noble Five	.05	.06	.04	.04
50c.	.12½	.05	Oregon Cop.	.07½	.08	.08	.08
1	2.30	1.23	Pioneer Gold	2.25	2.30	2.10	2.25
50c.	.09	.05	Porter Idaho	.06	.05	.05	.05
None	.02	.00½	Premier Border	.00½	.00½	.00½	.00½
None	.55	.20	Reeves McD.	.25	....	....	....
1	.25	.11	Reno Gold	.21	.23	.20	.20
1	.04	.02	Rufus Argenta	.02½	....	....	....
1	.07	.04	Ruth Hope	.05	.05	.04	.04
1	.05½	.04	Silverado	.05½	....	....	....
25c.	.03	.01½	Silver Crest	.02	.02	.02	.02
50c.	.05	.01½	Snowflake	.02	.02½	.02½	.02½
1	.45	.30	Sunloch	.30	....	....	....
50c.	.01½	.01	Topley Rich.	.01	....	....	....
5	.20	.20	Toric	.20	....	....	....
20c.	.01	.01	Wellington	.01	....	....	....
1	.05	.05	Whitewater	.05	....	....	....
None	.03½	.00½	Woodbine	.01	....	....	....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$12.50	15.15	Premier	12c.	15.58
Dome Mines	$1	9.97	Royalite	50c.	....
Hollinger	65c.+5c.	10.14	Spooner Oils	6c.	....
Inter. Nickel	60c.	5.00	Sylvanite	2c.	2.81
Lake Shore	$1.20+30	5.50	Teck Hughes	60c.	8.57
McIntyre	$1	4.80	United Oils	5c.	....
Model Oils	12c.	....	Wellington Oil	5c.	....
Nipissing	30c.	27.27	Wright-Har	10c.	3.70

Automobile Industry

AUTO INDUSTRY OUTPUT IN APRIL SHOWS BIG GAIN

Follows Successive Monthly Increases Since January

Total production of automobiles in Canada during April numbered 17,159 or 29.2 per cent less than the 24,257 produced in April, 1930. The annual peak output of the industry is generally attained in May, but the April output is seldom very far below the peak for the year. The increase in production has been remarkably steady during the current year and the April figures show a substantial improvement over those of preceding months, despite the failure to approach production of previous years.

Measured by the index number of motor car production of the Dominion Bureau of Statistics, April production was 26 per cent below normal. On the same basis, January production was 60 per cent below normal, while the index moved up 20 points during the first quarter and 14 points in April. This index number is adjusted for seasonal variation as is expressed as a percentage of the long term trend determined from the period 1919 to 1928, inclusive.

Output Increased

Production in April averaged 572 cars a day, as compared with 419 cars daily in March and 809 cars daily in April, 1930. The rate of output was 37 per cent higher in April than in March and the improvement over the preceding month was the greatest for any month of the year to date. The increase over March was chiefly in closed passenger cars with smaller gains for all other models. Closed passenger cars increased to 12,336 from 9,319; open passenger cars to 1,655 from 1,002 and trucks increased to 3,116 from 2,510.

Customs' records for April showed that 1,421 cars were imported into Canada and that 1,209 cars were exported during the month. Figures for the first four months of this year showed total imports at 5,221 cars and exports at 7,798 cars, as compared with imports of 10,420 cars and exports of 16,958 cars during the corresponding period of last year.

Of the total output during April, 15,837 cars were made for sale in Canada and the balance of 1,322 were intended for export. The apparent consumption of automobiles during the month, determined by adding the 15,837 cars made for sale in Canada to the 1,421 cars imported, amounted to 17,258 cars. The number of new cars made available for use in this country during the four months ending April 30, 1931, totalled 44,709 cars as compared with 64,612 cars in the first four months of last year.

Total Number of Cars Produced in Canada For Sale and For Export

	1931	1930	1929
Jan.	6,496	10,388	21,501
Feb.	9,864	15,548	31,287
Mar.	12,993	20,730	40,621
Apr.	17,159	24,257	41,991
	46,512	70,923	135,310

Brooks Steam Motors Plant is For Sale

Plant of Brooks Steam Motors, Ltd., at Stratford, Ont., is being offered for sale as a result of a winding-up order granted to F. W. Wegenast, Toronto lawyer, who acted for shareholders. The liquidation is G. S. Holmested, Toronto. The municipality of Stratford has a prior claim against the property and it is questioned if its sale would mean anything to the shareholders. Stratford guaranteed bonds to the amount of $50,000, of which $5,000 were redeemed.

It is believed that some 10,000 Canadians put between $4,000,000 and $5,000,000 into this company.

Credit Foncier Earnings Show Increase in 1930

From Our Own Correspondent

MONTREAL.—Net profits of Crédit Foncier Franco-Canadien amounted to $1,942,809 in 1930 as compared with $1,939,607 in the previous year. Reserves were increased to $17,808,630 from $17,667,446. Dividends were paid at the same rate, 390 francs on the stock which has a par value of 500 francs.

Hon. Narcisse Perodeau has been elected to the board of directors.

J. L. Stewart Heads Automobile Makers

J. L. Stewart, one of the best known figures in the automotive publishing field, has been appointed general manager of the Canadian Auto Manufacturers and Exporters Association.

Canadian Auto Manufacturers and Export Association is an organization of the leading motor car manufacturers of Canada and Mr. Stewart over a long period has been in the counsels of the association as well as an active force in improving manufacturing practise, having been for the last year chairman of the Canadian Automobile Standards Association in which capacity he made valuable contributions to the industry.

J. L. STEWART

Mr. Stewart for 16 years has been with the MacLean Publishing Company, and for the last 13 years in the automotive publishing division, having been directly in charge of Canadian Automotive Trade, Bus & Truck Transport and Canadian Aviation, publications which have become outstanding in their respective fields.

Mr. Stewart assumes his new duties, with headquarters in Toronto, as of June 1st.

GENERAL MOTORS OUTLINES PLANS TO AID DEALERS

Make Them Better Business Men and Prevent Casualties

A policy that is calculated to cut dealer mortality to a minimum this year is being put into effect, on a national scale, by General Motors of Canada. This plan is explained by William C. Herring, general sales manager for General Motors. "The business of automobile retailing henceforth will call for business men . . . keen, careful managers of high standing in their community and well judged by their local banks. General Motors of Canada believes this fact strongly, and has developed its dealer relations policy around this central thought," says Mr. Herring.

"General Motors of Canada is convinced that the dealers must make money if General Motors is to be permanently successful; that, although such a policy may temporarily reduce volume, it will pay in the long run; and that it will pay better to make the dealers now in the business successful than to let them go their own way to ruin and try to replace them.

"Sales quotas are fixed in consultation between dealer and factory, based on past records, and an expert appraisal of what the dealer's territory can reasonably be expected to absorb. Many dealers this year have been assigned fewer cars than their enthusiasm prompted them to demand.

"The dealer's business should be like any other business—well balanced. That is, the dealer should not sell cars at no profit, depending upon parts, service, repairs and accessories for his living.

"The key to the system is accounting. General Motors is persuading dealers to adopt uniform books, and then through General Motors accounting system these books are audited. Thus many a dealer is learning for the first time where he really stands financially. Equally important, General Motors knows where he stands. The dealer pays only a part of the cost of this accounting system because General Motors makes a large contribution.

"Once a dealer's condition is known, the practical steps towards better profits for him can be taken. He is shown, perhaps, that he has gone 'high-hat'—has given himself the luxury of a set of executives. It is suggested to him more or less tactfully that he might well be his own sales or service manager.

"He is shown the national average figure for rental—so much per new car sale per Buick, so much per Chevrolet. Maybe, his landlord will listen to reason; maybe that re-adjustment must wait until a lease expires. The experience of successful dealers is taken as a guide in the used car department—so many dollars per new car sale. Service and parts should yield a certain average number of dollars per new car sale—everything is figured on the basis of new car sales. In short, the idea is to make good business men of all General Motors dealers. And it is a fact that whenever this is accomplished, the dealer becomes a welcome customer at his bank, and his financing ceases to be a source of worry to him or to the factory.

"The financing problem has been acute. Local bankers were ready to go along in flush times and when the industry was younger, but for the past few years they have been reluctant to make loans to dealers. Now, however, this reluctancy is being overcome because of the better business basis that has been established for dealers."

FORD ROUTES CARS BY CANADIAN PORTS

Canadian Company Uses Canadian Routes for Empire Trade

Inter-empire trade of the Ford Motor Company of Canada formed an appreciable share of the exports during 1930 from Canadian east coast seaports—St. John, Halifax and Montreal—and represented movements over Canadian rail lines of more than 3,400 carloads of freight, Wallace R. Campbell, president of the company said in a statement

The greater part of this traffic, destined for the British Dominions overseas, was routed via Canadian seaports over all-Canadian rail lines. This policy of the company, Mr. Campbell pointed out, had the effect of providing greater revenues for Canadian rail lines and larger cargoes for British freighters, as well as more employment for Canadian and British workers. Revenues of Canadian rail lines from all this traffic approximated $500,000 in 1930.

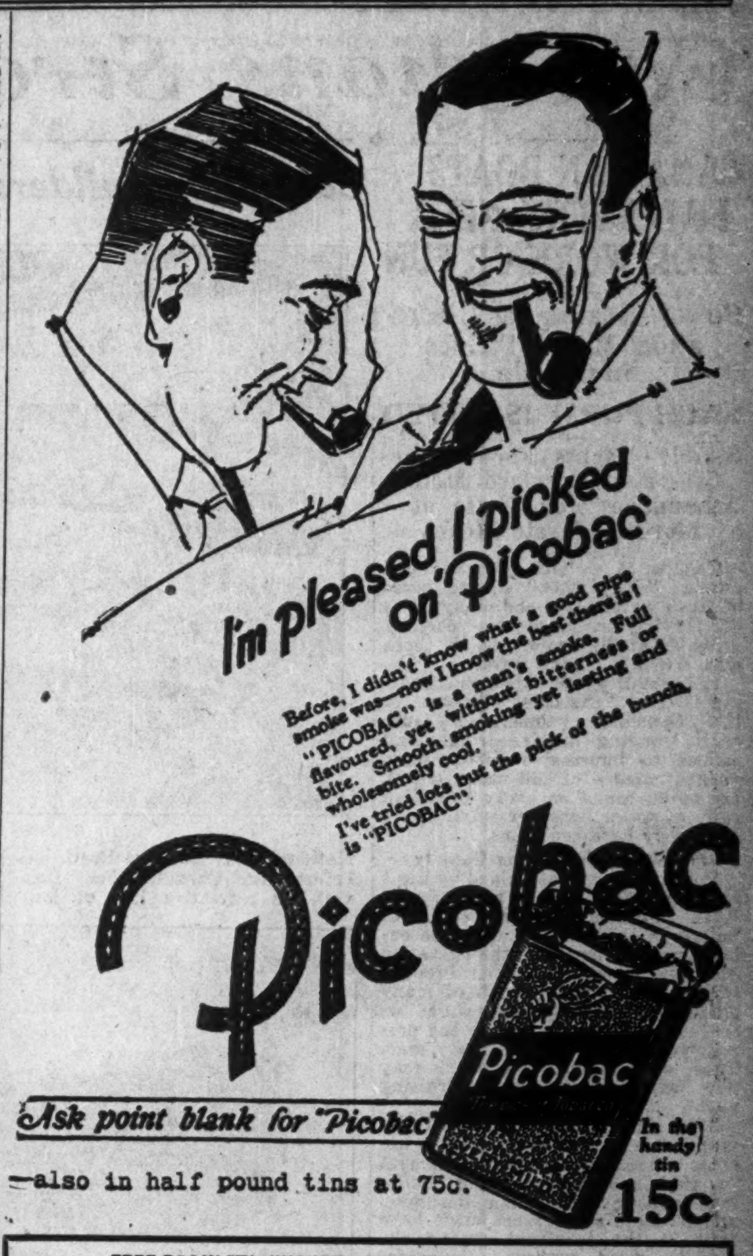
All of the Canadian Ford company's export shipments for Australia and South Africa moved via all-Canadian rail lines and out of eastern Canada ports, it was explained. This traffic reached a volume of 600 carloads. In addition to that, 85 per cent of the 600 carloads shipped to New Zealand, 80 per cent of the 700 carloads for India and 70 per cent of the 400 carloads for other miscellaneous points in the Empire overseas moved through this channel.

In all, only slightly more than 800 of the company's total export volume of 3,400 carloads of Ford products were shipped—by necessity—via the Niagara frontier and the port of New York, Mr. Campbell said. Of this total, 300 carloads went to Singapore and the Dutch East Indies via New York, there being no ocean service to these territories out of Canadian east coast seaports.

Mr. Campbell also stated that the Ford Motor Company of Canada—in line with its policy of giving Canadian railroads all possible revenue—in 1930 had required 20 vessels to call at the port of St. John for the sole purpose of taking on its shipments. Of these, 12 vessels operated from New York to British East Africa and eight direct from New York to India. These were in addition to the ships calling at St. John and Halifax regularly to pick up Canadian Ford shipments to Australia, South Africa, India and New Zealand.

New Industries For Manitoba

The Winnipeg Industrial Development Board reports 12 new industries for Manitoba, two of which are branches of foreign organizations. This is regarded as encouraging and shows the industrial trend toward Manitoba is being maintained.


I'm pleased I picked on 'Picobac'
Before, I didn't know what a good pipe smoke was—now I know the best there is! "PICOBAC" is a man's smoke. Full flavoured, yet without bitterness or bite. Smooth smoking yet lasting and wholesomely cool.
I've tried lots but the pick of the bunch is "PICOBAC".
Picobac
Picobac
Ask point blank for "Picobac"
In the handy tin
15c
—also in half pound tins at 75c.

FREE BOOKLET! "HOW TO TAKE CARE OF YOUR PIPE."
Write Dept. "A", P.O. Box 1320, Montreal

Prompt Deliveries

Bonds and stock certificates are often required on short notice. Through 63 years of knowing how, you can be assured of maximum speed in the preparation and delivery of your requirements without sacrifice of accuracy, skilled workmanship or perfection in the finished product.

BRITISH AMERICAN BANK NOTE
COMPANY · LIMITED
Montreal Ottawa Toronto

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND
HEAD OFFICE MONTREAL

EXECUTORS, TRUSTEES, ADMINISTRATORS
Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
34 King St. W., Toronto
132 St. James St. W., Montreal

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Building, Toronto

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
METROPOLITAN BUILDING - TORONTO

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
CLARKSON, McDONALD, CURRIE & COMPANY
TORONTO OTTAWA WINDSOR
and
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington Street West TORONTO

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange
Montreal Curb Market
New York Curb Market (Associate)
21 Jordan Street
TORONTO
215 St. James St. West
MONTREAL

TELETYPEWRITER SERVICE

Down in black and white

Think of the accuracy. Your message recorded at its destination letter by letter just as it is typed in your head office — no matter how long or how complicated . . . and with the double check of its perusal by the executive who dispatched it.

Peculiar names . . . minute details of price or fractions of measurement . . . all down in black and white. Simultaneous receipt at any number of offices in any number of distant cities.

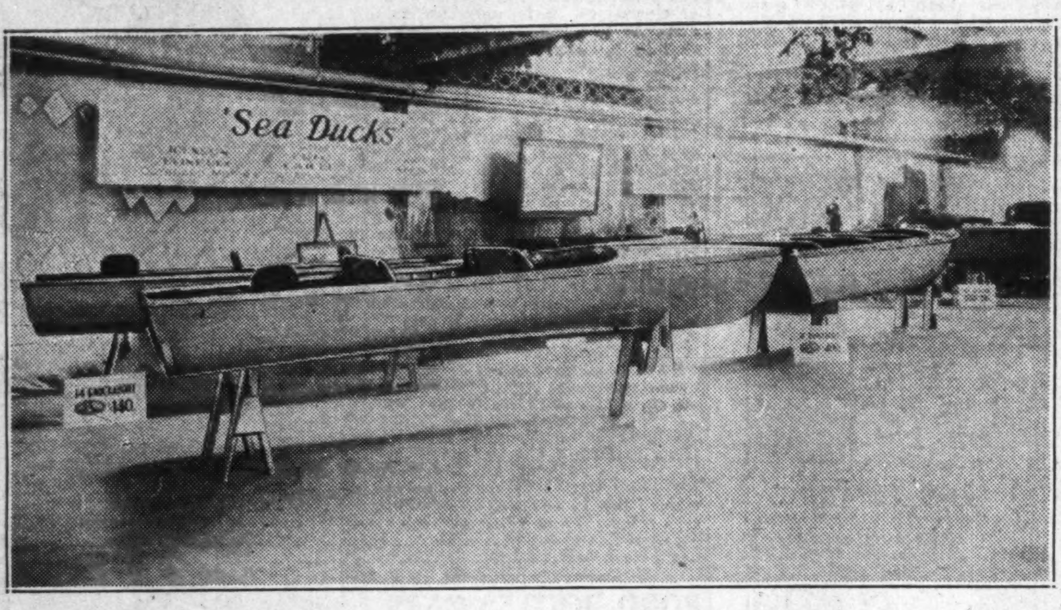
The Teletypewriter speeds business with safety.

Any Bell Telephone business office will give you full details and show you how this modern communication system can be profitably applied to your business.

THE BELL TELEPHONE COMPANY OF CANADA

Canadians Strong for Power Boating

Canadian Builders Produce Popular Low-Priced Craft



National Boat Builders Regd. has entered the Canadian boat field with an attractive line of low-priced "Sea Ducks." These are designed for use with outboard motors, five models being presently produced. National Boat Builders is a subsidiary organization of National Steel Car of Hamilton.

One of the Greavette runabouts combining speed and seaworthiness at a moderate price.

CANADIAN BOATS FILL EVERY NEED FOR WORK OR FUN

Power Boating as Recreation Makes Strides in Canada

EACH PURSE IS FITTED

Stately Yachts For Millionaires and Outboard Motor Launches For Those of More Moderate Means

Canada is a land of lakes and rivers. With 180,000 square miles of fresh water lakes and many miles of flowing streams this country provides ample scope for all those who love life on the water.

It is small wonder then that boating is one of the chief pleasures of the Canadian people. Pleasure craft, ranging in size from small canoes to impressive fuel-powered yachts, capable of salt-water travel, are to be found on every Canadian body of water, whether small rivers or mighty northern lakes.

Power Boating Gains Rapidly

Power boating has gained by leaps and bounds in Canada in recent years. With improvements in design of hulls and engines, and with the enlargement of markets, the operation of power boats has been brought within the financial reach of many citizens. Operating a gasoline or fuel-oil launch is no longer the prerogative solely of the wealthy man. Those of more moderate means may now enjoy their speedy cruising yacht.

With the greatly increased demand for power boats, there has come a great period of development for the Canadian power boat building industry. Canadian designers and builders of pleasure craft have kept in the forefront among the world's great makers. Canadian-built speed boats have won races in competition with the world's finest builders. Canadian-built cruisers are found in American and foreign waters. To own a Canadian-built boat is a distinction not lightly regarded.

Products $2,000,000 Yearly

The development of the boat building industry in Canada has been remarkable. It had its inception in the construction of canoes, skiffs and such small craft used by trappers, prospectors and summer vacationists. In recent years, it has branched out into wider fields until now there is no job too large or too difficult in this field for the men engaged in the Canadian industry, as witness the large number of Canadian-built boats owned by American millionaires.

The last census of the boat building industry in Canada, that for 1929, showed 118 establishments engaged in the manufacture of boats and canoes and in their repair. The value of the products was about $2,250,000. More than one million dollars' worth of motor boats were manufactured. On the average, there is more than one power boat made in Canada every day in the year. When one considers that these are not mass production jobs but include many vessels fashioned with skill and loving care to incorporate the best ideas in design and craftsmanship alongside the pet ideas of intending purchasers one will see that the output is not inconsiderable and that many Canadians are being converted to the attractions of power boating as the reaction that is to its devotees the finest in the world.

Boat-Building Traditions

Tradition plays a large part in the maintenance of high standards in the Canadian boat-building industry. One of the leading firms is in the control of a family that has been building boats for five hundred years. Many of the others had their inception in families that have built boats for Canadian use for generations past.

Thus, Canadian-built boats have never lagged behind those made in any other country. If one wants a boat for speed, possibly for international racing competition, a Canadian builder can supply it. If one wants a cabin-cruiser, heavy enough to weather stormy seas and yet fast enough to get one from place to place quickly, a Canadian firm will put the job through. The Canadian Government, which needs launches and cruisers for the most difficult of all work, customs patrol and smuggling prevention, is able to get what it wants in Canada.

Boats at Small Cost

Some people have an idea that motor launches and cabin cruisers are within the reach only of millionaires. It is true that the millionaire is able to gratify his desire for speed, comfort and original design, but it is also true that the more modest purse can find power boating within reach. It is possible to purchase an excellent cabin cruiser with sleeping accommodation for two persons at under $1,500; one with sleeping accommodation for four persons at not over $1,650. Motor launches without cabin accommodation can be purchased for much less. Even $140 will cover a good craft with an outboard motor.

NATIONAL BOAT NOW PRODUCING ON LARGE SCALE

Standardizes on Five Models to Lower Cost

National Boat Builders Regd., subsidiary of National Steel Car Corp., has started production of outboard motor boats on a substantial scale. This project of National Steel Car was inaugurated late last year and outlook for the first year of activity is considered encouraging.

The company is concentrating on production of five standard models comprising a 14 foot model; three 16 foot models and one 18 footer. Plans are also being considered for manufacture of a cabin cruiser; as yet this model has not been included in output.

Serves Two Purposes

Manufacture of these boats affords a dual purpose for National Steel Car. In addition to revenue which may accrue from sales, manufacture provides employment for extensive equipment in the company's wood working plant, a unit in which is installed modern machinery valued at approximately $1,000,000.

Utilization of this equipment in periods of lower railroad orders enables the company to carry out manufacture by mass production. Standardization of models is expected to enable the company to realize full benefits of economies resulting from volume production.

Standardize Greavette To Cut Price

Taking a leaf from the production methods of automobile manufacturers, who created markets by making a particular type of product, the builders of motor boats are now beginning to turn out their products as something which may be enjoyed by the many. Canadians are "water conscious"—surprisingly so in view of the previous difficulty in obtaining small boating units of seaworthy and economical type, but there is no doubt that the demand for such craft will be enormously expanded by the departure of such reputable makers into the new production field.

Greavette Boats, Limited, of Gravenhurst, a new company with a famous boating name, is already in production on four runabout models, and plans to turn out nearly 100 of these boats in the next sixty days.

This idea of being able to buy a suitable boat, ready for the water, on a day's notice is what the man of moderate means wants. Now he can step right in to a dealer and purchase the boat, on sight, which meets with his approval, and save the expense attached to buying custom-built goods.

Dealers handling the Greavette models will be situated in numerous centres from coast to coast, and if it is one of the larger towns, he will have a demonstrator in which he can take the prospective buyer for a ride.

Will Be Cheaper

As in the automobile business, the boats will be sold, if desired, on the time payment plan, and quantity production of standardized models has reduced prices. In most cases, the new ready-made boats will be at least one-third cheaper than the same type of custom-made models.

It is evident from this new idea of motor boat production that the sport of motor boating is going to be brought within the reach of many who were formerly denied the thrill of exploring Canada's many waterways.

The new Greavette boats are built from the designs of internationally famous marine engineers after exhaustive tests have been made with every type of boat that is popular in America. Seaworthiness, speed, comfort and durability have been the chief aim of the designers.

Greavette boats are all runabouts, ranging from 17 footer at $1,495 to the 26 footer at $4,795. They are powered with Kermath and Chrysler engines. The hulls are built with exact specifications for the engines they carry. The boats themselves are well balanced to strike the water at the correct angle for smooth riding, no matter the speed nor the load on board. The bows will not bump in choppy water and it is claimed that no danger of upset in rough weather. They are built for either fresh or salt water which necessitates the use of bronze or brass for all exposed parts.

International Fibre Board Now Selling New Product

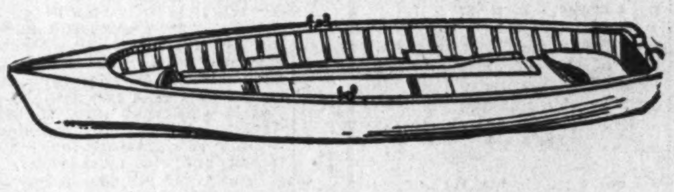
From Our Own Correspondent

MONTREAL.—Production has been started on a non-inflammable wood fibre board at the plant of International Fibre Board at Gatineau. This is a new development in the production of a fibre or pulp board for building purposes which has been treated to render it fire-resisting, while at the same time the process is such that the board retains its heat insulating qualities. The latter is a very important consideration, general practice in Canada being to insulate all new buildings against heat and cold.

The non-inflammable fibre board was perfected in the laboratories of the International Paper Co., parent organization to International Fibre Board, at Gatineau. The new structural material will be used for wall and roof installations and is expected to have a big field in cottage construction at summer resorts because of its fireproofing qualities. Incidentally, it may be stated that much progress is being made in Canadian pulp board or fibre board mills in research work to broaden the usefulness of their products. Among the products of the International Fibre Board, developed in the last year or two, is an acoustic board, used where sound-deadening qualities are desired, and one which is ant-proof in tropical countries.

Going Somewhere Happily!

You may be fishing, racing, or simply idling at ease. A boat with a reliable outboard motor will give you the feeling of security so necessary to the full enjoyment of your trip.



The "Tourist" Special

16 feet long, 43 inch beam, 15 inches deep
15 feet long, 44 inch beam, 15 inches deep

Built in both 15 feet and 16 feet lengths from our standard models, Nos. 121 and 122, to meet a popular demand for a well-constructed boat at a low cost. For use at Summer homes, boys', girls' and adult camps. Cedar strip construction, ribs spaced 3 inches to centres. Varnished inside and painted outside. Seaworthy, easy to row and suitable for motors 3 to 8 h.p. Weight, 15 feet, 130 lbs.; 16 feet, 140 lbs. Color, 16 feet, grey; 15 feet, light green. Remarkable value, either size—including pair flat blade oars. $96.

A 15 feet or 16 feet Tourist Special boat with a 4 h.p. Evinrude Lightwin Motor, a wonderful combination at low cost. $228.

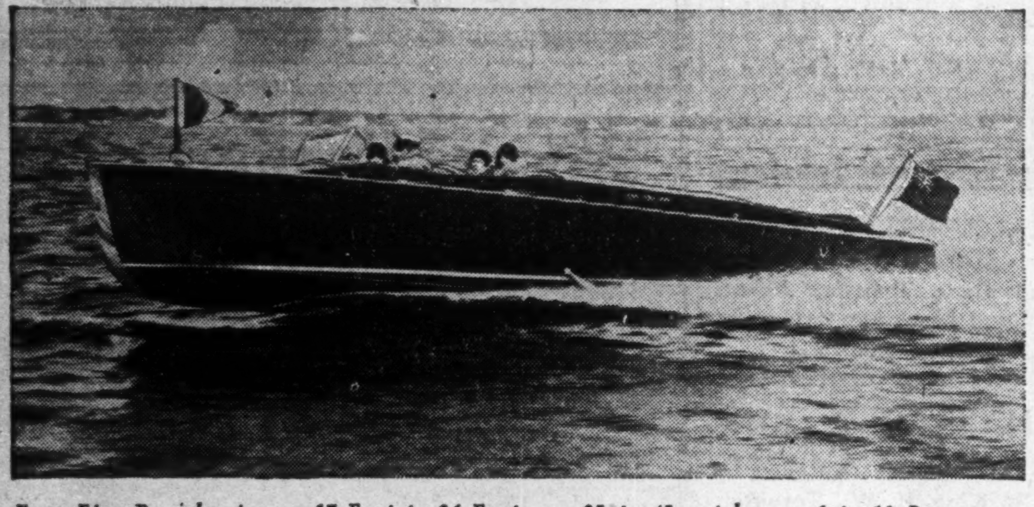
1931 Johnson Sea Horse's and Standard Outboard Motors

J 25—Sea Horse, single, 1½ Horse Power	$155
A 50—Sea Horse, twin, 4 Horse Power	$200
K 50—Sea Horse, twin, 12 Horse Power ...	$250
OA 55—Standard Model, twin, 3 Horse Power	$135
OK 55—Standard Model, twin, 8 Horse Power	$175

Sporting Goods—Street Floor

THE ROBERT SIMPSON COMPANY LIMITED

GREAVETTE BUILDS A *Fine* RUNABOUT FOR *You*



Four Fine Runabouts . . . 17 Feet to 26 Feet . . . 25 to 45 m.p.h. . . . 6 to 10 Passengers

Four fast, smart, seaworthy models . . . One priced as low as $1495* . . . Deferred payments, immediate Delivery

When you are deciding about a boat for your summer home remember whatever your preference or income, Greavette builds a runabout you will be proud to own, at the price you want to pay.

These new Greavette runabouts are smarter, swifter, more powerful and more comfortable. Yet, because they are the only Canadian runabouts manufactured on the economical straight line production basis, they are priced fully 25 per cent. below the market average.

In fact, you can buy the smart, capable Greavette "25" Sunflash for only $1,495 (at Gravenhurst, taxes extra). And if you desire a bigger, faster, more commodious craft there is the Ensign "33", the Mohawk "37" and the Comet "45" to choose from. Make use of our convenient, company-sponsored, deferred payment plan if you prefer. You will get *immediate delivery* of any Greavette runabout for a small cash payment.

Get more fun out of summertime, this year. Own a Greavette runabout. Write for our catalogue . . . we want you to know more about these new, *fine* runabouts built for *you*.

CANADIAN-BUILT BOATS FOR CANADIAN WATERS

Complete sales facilities are offered by the Greavette Boats dealers and distributors listed below. See the dealer near you or write to the factory at Gravenhurst, Ont.

DEALERS AND DISTRIBUTORS

TORONTO

J. J. Taylor & His Sons	Ft. John St., Toronto

NORTHERN ONTARIO

Perron & Marsh Navigation Co.	Temagami
Cochrane Hardware Co., Limited	North Bay
Sudbury Boat & Canoe Co.	Sudbury
Anderson Boat Co., Limited	Kenora
Cochrane Dunlop Hardware Co.	Sault Ste. Marie
Croswell Brothers	Parry Sound
Midland Boat Works	Midland

MONTREAL

Montreal Boat Builders Limited	Lachine

WESTERN ONTARIO

Parts & Trucks Limited	Walkerville
McKeough & Trotter	Chatham

FORT WILLIAM AND PORT ARTHUR

Dougall Motor Co., Limited	Manitoulin Island
Norman Trottier	Little Current

GREAVETTE BOATS

*Prices f.o.b. Gravenhurst, taxes extra.

GREAVETTE BOATS, LIMITED, Gravenhurst, Ont.
Gentlemen: Please send me Greavette Boats Catalogue.
Name ....
Address ....
GB-2F

Sales and Service
Johnson Outboard Motors
Outboard Boats

MARINE ENGINES WATER CRAFT
J.W. MAGNUS CO.
155 KING STREET WEST
TORONTO 2. CANADA

Accessories
Kennedy Propellers
Summer Cottage Pumps

ANNOUNCING Ultra Modern Runabouts - - -

Designed by Bert Hawker
Canada's foremost architect

For years the boating public has wanted a modern runabout with the **protected propeller feature** hitherto only available in our small utility models. Now—you can have not only this wonderful feature in a fast, roomy, runabout, but you get a Bert Hawker designed and supervised boat at a moderate price.

The Disappearing Propeller Boat Company
LINDSAY ONTARIO

"Sea Ducks"

YOU will probably buy a boat this Spring—and undoubtedly want the best value on the market. You will want the most up-to-date design that experienced experts can produce, for seaworthiness, speed and real comfort.

A BOAT with high freeboard that will keep you dry in a seaway.
—that will run on practically a level keel at any speed with any load, and not squat in the stern. Squatting is dangerous in a following sea.
—that will bank on the turn at full speed and plane easily.
—that will give maximum boating pleasure and riding ease—having extra wide seats with backs set at the right angle.
—that will ride the waves like a duck, and always be safe and seaworthy.
—that is constructed only of the very best selected boat building lumber — screw fastened.
—and that will give you years of satisfactory service, due to its exceptionally strong construction, the finest that expert designers and builders can produce in the largest plant of its kind in Canada. A plant fully equipped with $1,000,000 worth of modern automatic wood-working machinery for mass production of standardized models.

If you are looking for such a boat, inspect the famous "SEA DUCKS"—Canada's finest fleet of popular priced Outboard Motor Boats. There are five models to choose from. One to suit every purse and purpose. Priced $140, $180, $210, $320 and $400.

A comparison of the "SEA DUCKS" both as to quality and price, with anything of a similar class on the market, will readily convince you of their outstanding value.

Write today for descriptive catalogue.

NATIONAL BOAT BUILDERS REG'D
Sales Office: 485 McGILL ST. MONTREAL, QUE. Plant: HAMILTON, ONT.
Subsidiary of
NATIONAL STEEL CAR CORPORATION
Hamilton, Canada

2T

MARA & McCARTHY

Members { Toronto Stock Exchange / Montreal Curb Market / New York Curb Market (Associate)

STOCK BROKERS

W. HAROLD MARA
LEIGH M. McCARTHY
H. G. DAVIDSON
JOHN A. MARA
A. MORTON BROWN
Lt.-Col. CARSON McCORMACK

Canada Permanent Building, 320 Bay Street
TORONTO
Telephone: Adelaide 9151

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation
Reports
Valuations
Estimates
Paper and Pulp Mills
Hydro-Electric and
Steam Power Plants
Plans and Specifications

ESTABLISHED 1908
ROBERT DODD & COMPANY
INCORPORATED
Investment Bankers
The Royal Bank Building, Montreal
HArbour 8141-2

HAMILTON BRIDGE COMPANY
LIMITED
Designers, Fabricators and Erectors
of every class of
Structural Steel Work
Head Office and Works:
HAMILTON - CANADA

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp - News Sulphite Pulp
High Grade Bleached Sulphite Pulp

CANADIAN VICKERS LTD.
Aircraft Ships Engines
Structural Steel
Boilers Mining Machinery
General Engineering
25,000 Ton Floating Dry Dock
Head Office and Works:
MONTREAL — CANADA

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER
and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited, Quebec, P.Q.
Head Office:
MONTREAL, QUEBEC

Canadian Pulp and Paper News

DROP RECORDED IN APRIL EXPORTS PULP AND PAPER

Groundwood Pulp Shows Slight Gains Over Last Year

From Our Own Correspondent

MONTREAL.—Total value of Canadian exports of paper and manufactures thereof in April was $8,602,770, a decline from the $11,639,039 recorded in the previous month and $9,568,072 for the month of April, 1930. Value of wood pulp exports in April also showed a decline, totaling $2,168,682 as opposed to $3,267,236 in March and $2,631,122 in April, 1930.

Newsprint comprised the main factor in paper exports. Total exports of this commodity in April amounted to 152,360 tons valued at $8,329,722. In the previous month there were exported 200,545 tons valued at $11,200,325 while in April, 1930, exports were 159,802 tons having a value of $9,199,882.

Book Paper Declines

Book paper exports were also lower. In April they amounted to 1,556 cwt., nearly 1,800 cwt. below the March figures and nearly 1,500 cwt. under April, 1931. Values dropped off to $12,191 in April as compared with $19,896 in March and $28,690 in April last year. Kraft paper exports showed a similar decline totalling 10,885 cwt. valued at $50,995 as against 21,684 cwt. in March and 25,960 cwt. valued at $136,301 in April, 1930.

Sulphite pulp exports in April amounted to 100,348 cwt. as compared with 146,332 cwt. in the previous month and 107,047 in the corresponding month last year. Values however, were slightly improved totalling $318,876 last month as opposed to $312,165 in April, 1930.

No Gain in Bleached

No such gain is recorded in bleached sulphite pulp exports. These were 308,013 cwt. and were valued at $977,704. In the same month last year they were 364,100 cwt. valued at $1,340,788. March, 1931, exports were 497,611 cwt. with a value of $1,625,418.

Unbleached sulphite exports were off at 205,058 cwt. as compared with 311,198 in the previous month and 292,916 in April last year. Values last month were $445,224 as against $665,699 in March and $718,931 in April, 1930, indicating lower prices.

Groundwood Shows Betterment

Groundwood pulp exports showed a betterment as compared with last year. Exports in April were 261,673 cwt. valued at $384,900; in the same month last year they were 154,332 cwt. valued at $216,190. These totals, however, did not come up to figures for March this year which were 278,343 cwt. having a value of $415,997.

Pulpwood exports were lower than last year and below the previous month. These amounted to 33,133 cords against 55,116 cords last year. In March, 1931, exports were 73,339 cords. Values last month were $283,146.

COAST PRODUCERS HOLD PAPER PRICES

Say Newsprint Price Now at Lowest Level Possible

From Our Own Correspondent

MONTREAL.—As previously pointed out, expectations are that the Pacific Coast newsprint manufacturers will not follow the lead set by Eastern mill operators and reduce the price of newsprint.

The attitude of I. Zellerbach, president of Crown-Zellerbach Corp., of which Pacific Mills is the Canadian subsidiary, is that Eastern mills have merely come down to the level established on the Pacific Coast last fall.

"There is nothing in the situation to warrant a further reduction in the Coast territory," Mr. Zellerbach is quoted as saying. "The Coast has been the lowest price zone for newsprint in the world for some months and there is no reason why we should reduce prices any further merely because the East has come closer to the basic price we set for the industry last fall."

Set Absolute Minimum

When Powell River Co. established a price of $48 a ton, it was stated by officials of that corporation that this figure represented the absolute minimum at which newsprint could be sold on reasonable terms.

Production is running along at about the usual rate, with Pacific mills operating only five days a week, but Powell River Co. is utilizing its new Lois River development and seven machines. B. C. Pulp & Paper Co. is operating at capacity in turning out sulphite pulp.

Paper Mill Activity Below Normal in 1930

From Our Own Correspondent

MONTREAL.—Operating ratio of United States and Canadian newsprint mills in 1930 was the lowest recorded since 1917. According to records compiled by the News Print Service Bureau, mills in the two countries ran at 72 per cent of capacity last year. This compares with an 84 per cent ratio in 1929 and an average during the fourteen-year period of 89.4 per cent. The high mark was set in 1919, when mills ran at capacity and the previous low mark in 1921, when the operating ratio was 76 per cent.

The fluctuations in the operating ratio of United States and Canadian newsprint mills over the last fourteen years follow:

OPERATING RATIOS
United States and Canadian Mills

1917	96%	1924	90%
1918	92%	1925	92%
1919	100%	1926	95%
1920	99%	1927	84%
1921	76%	1928	82%
1922	91%	1929	84%
1923	97%	1930	72%

Fourteen year average—89.4%.

Canadian Vickers Adds to Directors

From Our Own Correspondent

MONTREAL.—Several changes in the officers and additions to the board were made at the annual meeting of Canadian Vickers Co. W. W. Butler, president of Canadian Car & Foundry, and J. E. Labelle, K.C., a director of the Canadian National Railways, were made directors of the company.

D. B. Carswell, formerly general manager and latterly managing director, was made a vice president. James Playfair was re-elected as president and Frank M. Ross, vice-president. F. G. Wilson, secretary of the company, retired from the board, but all other directors were re-elected.

Port Alfred Pulp Defers its Dividend

From Our Own Correspondent

MONTREAL.—Official announcement is made by Port Alfred Pulp & Paper Corp., subsidiary of Canada Power & Paper, that the dividend on preferred shares usually payable March 15, was not declared. This is in line with anticipations, as it was intimated several weeks ago that the declaration would not be forthcoming.

Port Alfred has outstanding $6,000,000 of 7 per cent cumulative preferred stock. It was offered privately and publicly in Canada and England at varying intervals between 1924 and 1926. Dividend payments were made regularly until the present omission.

New Machines Reflect Growth Paper Industry

From Our Own Correspondent

MONTREAL.—One hundred and fourteen newsprint machines were placed in operation in North America between 1919 and 1930. These units had a daily capacity of 10,090 tons, or approximately 90 tons each, or more than double the capacity of those operations at the beginning of the period.

During the past year, nine machines, with a daily capacity of 1,080 tons, were brought into operation. Of this number, 7 were installed in Canadian plants.

The capacity of all North American newsprint machines at the beginning of this year aggregated 18,935 tons daily, of which Canada was credited with 12,340 tons; United States 5,620 tons and Newfoundland, 975 tons.

Canada Has Wide Lead

The distribution of new machine installations, together with capacity, is shown in the following tabular matter. It is interesting to note that the period of greatest expansion took place between 1926 and 1928. Despite poor demand and operating conditions, the past year was one of the most active from the point of new machine installations.

NEWSPRINT MACHINE INSTALLATIONS
1919-1930

	U. S.		Canada		Nfld.	
	No.	Tons	No.	Tons	No.	Tons
1919	.	....	3	150	.	...
1920	6	316	2	105	.	...
1921	1	60	7	435	.	...
1922	.	....	4	240	.	...
1923	4	255	6	415	.	...
1924	.	....	7	615	.	...
1925	.	....	6	515	4	375
1926	.	....	13	1,215	1	100
1927	3	265	13	1,425	.	...
1928	1	100	14	1,485	.	...
1929	.	....	9	895	1	46
1930	2	240	7	840	.	...
Total	17	1,235	91	8,335	6	520

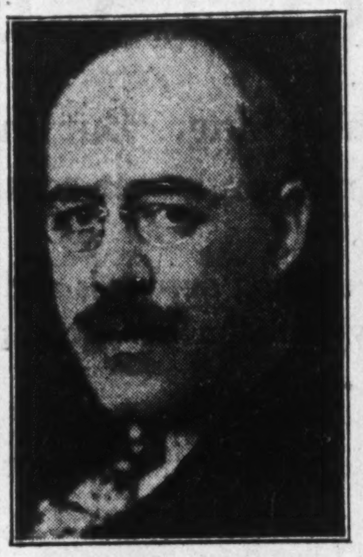
General Steel Wares Appoint New Officers

From Our Own Correspondent

MONTREAL. — John C. Newman, president of General Steel Wares, announces the following appointments, which were made at a meeting of the company's directors: G. K. Shiels, to be vice president and assistant general manager, and Alex. J. Clark to be general sales manager.

These appointments, it is further announced, are effective immediately.

New Sales Manager



MARC M. HARRISON, who has been appointed general sales manager of the building materials division of Price Bros. Sales Corp.

PAPER PRICE CUT COSTS INTER. PAPER $900,000 TO DATE

Effect of New Schedule Seen in Quarterly Returns

From Our Own Correspondent

MONTREAL. — Effect of the newsprint price cut on the manufacturers is apparent from the quarterly earnings statement of International Paper and Power Co. and subsidiary companies for the three months ended March 31, 1931.

During that period the consolidated report shows the amount available for dividends on the stock of International Paper and Power Co. as $1,400,115. But after taking into account the rebate, it is necessary to deduct approximately $900,000, bringing the next amount available for dividends down to $500,115, or less than one-third of the amount required to pay the preferred stock dividends of $1,632,565.

Gross is Higher

The consolidated statement of profit and loss for the quarter ended March last reveals net revenue from all sources of $10,801,786. This compares with $10,454,495 in the corresponding period a year ago.

Under the new arrangement, the amount written off for depreciation has been lessened, $1,977,096 being charged to that item in the quarter just passed as against $2,437,355 a year ago.

Interest and other prior charges are shown to have grown, but the deduction in depreciation charges enables the company to report a balance after senior charges of $3,577,845 during the first quarter of this year. The comparative figures for the initial quarter of 1930 were $2,693,377.

Under Dividend Needs

Minority stock holders are taking a larger share of earnings, as shown in the increases on account of this item from $2,023,322 to $2,177,729. After this charge, there remained $1,400,115 to apply against International Paper and Power preferred stock dividends. In the corresponding quarter of 1930 the amount available for dividends was $670,054.

As a consequence of the payment of the dividend on the preferred stock, the surplus was further reduced to $12,743,763, compared to $13,517,184 on March 31, 1930.

Details of Income

Full particulars of the profit and loss account for the first quarter of 1931 with comparative figures for 1930 follows:

Quarter Ending March 31	See Note 1931	1930
	$	$
Net revenue	10,801,786	10,454,495
Less: Depreciation	1,877,097	2,437,356
Int. on funded debt	4,402,251	4,214,853
Amort. of disct.	301,261	244,846
Res for inc. taxes	449,495	310,154
Min. int. in earn. sub.	193,837	554,409
	7,223,941	7,761,117
Bal. avail. for divds.	3,577,845	2,693,377
Divds. on pfd. and min. com. stocks of subs.	2,177,730	2,023,323
Balance to surplus	1,400,116	670,054
Surp. Jan. 1, 1930-1931.	12,976,213	15,069,332
	14,376,328	15,739,386
Less: Divds on stocks of Inter. P. & P. Co.:		
Preferred stock	1,632,565	1,623,693
Class A stock	......	598,509
Total dividends	1,632,565	2,222,202
Surp. Mar. 31, 1931-1930.	12,743,763	13,517,184

Note:—Earnings as stated for the quarter ending March 31, 1931 do not reflect any deduction or adjustment in respect of the newsprint price reduction retroactive to Jan. 1, 1931, announced by certain other manufacturers. It is estimated that the amount involved will not exceed $900,000.

Reviews Current Position

In commenting upon the financial returns for the first three months of 1931 Archibald R. Graustein, president, said that since the close of the period a number of manufacturers announced a reduction in the price of newsprint retroactive to January 1. The company's adjustments in this connection are not yet completed and are not reflected in the figures for the first quarter of 1931.

Prices generally are weak and volume low, he said. On the other hand, reduction of operating costs is ahead of schedule. New England Power Association earnings for the first quarter ran heavily below the earnings of a year ago, due in large part to extraordinarily poor water conditions, but current earnings are substantially improved.

Preliminary figures for April of International Paper and Power Co. as a whole indicate earnings available for dividends of about $400,000 after allowing for the effect of the price reduction in newsprint.

European Newsprint Small Item U. S. Supply

From Our Own Correspondent

MONTREAL.—With low prices for newsprint prevailing and with little immediate likelihood for an increase in consumption, Canadian manufacturers are paying more attention to securing a larger share of the business in established markets.

While considerable progress has been made in marketing Canadian newsprint in overseas countries, the amount distributed in that channel is comparatively small in relation to that shipped to the United States. Last year, the United States newsprint mills reported a production of 1,282,000 tons, which was 2,270,000 tons short of domestic needs. Of that total, Canada supplied 2,006,011 tons, or over 90 per cent of its exportable surplus.

Depend on Canada

There has been considerable talk of competition from the European newsprint manufacturers. While it is a recognized fact that in certain areas, the European producer is strongly entrenched, an analysis of the importation of European newsprint into United States, shows that country to be very largely dependent upon Canada for its supply of newsprint. In the following ten-year analysis of European newsprint importations into the United States, it will be seen that the average per annum imports totalled about 135,000 tons, or less than 8 per cent of the total requirements. Sweden is the largest shipper in the United States, followed by Finland, Germany and Norway in the order named.

U.S. IMPORTS OF EUROPEAN NEWSPRINT

	Sweden	Germany	Finland	Norway	Other	Total
1920	18,875	21,066	3,244	5,916	1,377	50,488
1921	48,932	38,938	22,661	20,993	4,613	135,387
1922	51,812	32,838	26,205	17,292	4,741	132,888
1923	64,570	52,290	41,782	33,829	7,798	200,269
1924	60,827	38,840	35,639	17,259	3,238	155,803
1925	65,518	25,862	21,683	17,030	2,421	132,514
1926	46,020	12,884	34,292	6,176	554	99,926
1927	66,920	7,096	29,330	16,796	1,919	122,061
1928	55,718	9,170	40,237	10,864	418	116,407
1929	50,717	9,741	......	3,498	124	96,373
1930	69,268	13,788	41,913	9,326	......	134,295
Total 11 years	599,177	262,513	329,279	158,179	27,163	1,376,311
Per Cent	43.6	19.0	23.9	11.5	2.0	100.0

Chairman of the Curb

H. J. CHILD, of H. J. Child & Co., who has been elected chairman of the Montreal Curb Market.

INTERNATIONAL PETE CUTS MARCH OUTPUT

Curtailment is in Line With Policy of Foreign Producers

Average daily production of crude by International Petroleum Co. during March was the lowest in many months in Colombia while Peruvian output reverted to slightly under the rate of production in the last quarter of 1930. Average daily output in Colombia was 48,914 bbls. as compared with 57,254 bbls. in March. In Peru the average daily production was 24,027 bbls. which compares with 30,080 bbls. in March when production was stepped up to make up for a decrease in February due to partial shut-down. Decreased production in March is stated to be due to voluntary curtailment of production in line with the policy of other foreign producers.

The record of operations for the first quarter of 1931 reveals a distinct cut in the number of new wells completed as compared with the corresponding period of 1930. The total production of crude for the quarter in Peru is well below the 2,579,753 bbls. produced in the first quarter of 1930 since at that time the curtailment programme had not been started. Production in Colombia is but little below that of the first quarter of 1930.

The production figures for March and for the first quarter of 1931 as compared with the corresponding periods of 1930 are as follows:

March	1931	1930
Peru:		
No. wells completed	7	13
Av. initial prod., bbls.	173	363
Total crude prod., bbls.	932,483	876,015
Colombia:		
No. wells completed	5	11
Av. initial prod., bbls.	831	565
Total crude prod., bbls.	1,774,865	1,778,210
Three Months Ended March 31		
Peru:		
No. wells completed	18	36
Av. initial prod., bbls.	293	285
Total crude prod., bbls.	2,176,876	2,579,753
Colombia:		
No. wells completed	15	34
Av. initial prod., bbls.	620	640
Total crude prod., bbls.	4,997,991	5,022,498

Private Power Concerns Pay Heavy Tax Bills

From Our Own Correspondent

MONTREAL. — Privately-owned power and light companies continue to bear the brunt of taxation, as shown in the 1929 report on the central electric station industry, issued by the Bureau of Statistics.

During 1929 central electric stations paid in taxes approximately $4,968,765, of which municipal stations paid $504,464 and commercial stations $4,464,299. In the preceding year, commercial stations paid $4,180,443 and municipal stations $416,956.

ASBESTOS CORP. MILL OPERATIONS ON LOWER SCALE

Sales Suffer from Lack of Co-operation Among Producers

From Our Own Correspondent

MONTREAL.—Asbestos Corp is now treating about one-quarter the amount of rock handled under normal circumstances. This amounts to about 2,500 tons a day, as compared with the normal 11,000 tons daily. The rock is being put through one unit of the large mill, five other smaller mills being closed down.

Reduced sales this year have in part resulted from the company's refusal to cut the price of its product which some other Canadian units have done in order to secure some of the business threatened from foreign sources.

Need of Co-operation

In the opinion of officials of the company lack of co-operation among the individual units of the asbestos industry in Canada, resulting in price-cutting and failure to meet competition with a united front, is the chief problem facing the industry at present rather than the rising output of Russian asbestos.

The company's chief competitor in the same area at Thetford Mines, the Johnson mine of the Keasbey Mattison Co. and the Bell mine, are providing lessened competition. The Johnson mine is restricting its output and is understood to be depending heavily on its high-grade rock. The Bell mine has been closed down altogether for about a month and nothing definite is known as to when it may be re-opened.

Can Handle Russia

The Russian factor is important but those in touch with affairs of Asbestos Corp. appear rather confident of the ability of the company to withstand competition. It is felt that with the extensive resources of the company and its connections, it should gradually be able to surmount the difficulties confronting it, especially those making their appearance from foreign sources.

Within two years or so the company will be mining almost entirely underground. This change over from the open pit method is being rapidly made and as the rock at the lower levels has come into view, it is found to be of excellent grade. The company is thus able to keep high grade on the markets without necessarily concentrating on certain portions of the mine and has therefore, no worry over any depletion of its best rock in bad times.

List Inter-City Baking Stock

From Our Own Correspondent

MONTREAL.—Montreal Curb Market announced the listing of 25,295 common shares of $100 par value of Inter-City Baking Co.

EDDY'S CHENEAUX BOND

Welcomes comparison with any Bond at any price

You may test Cheneaux Bond as you will. It convinces on every count.

Strength, folding quality, durability — Cheneaux Bond has these essential qualities coupled with a fine appearance that ranks it with far more expensive Bond papers.

A splendid paper for invoices, order forms, salesmen's reports, letterheads, cheques, circulars, etc. Available in White and Eight distinctive colors, the latter in 16 and 20 lb. weights, White in 16, 20, and 24 lbs.

THE E. B. EDDY COMPANY LIMITED
HULL CANADA
Manufacturers of a wide range of Quality Papers for Commercial, Professional and Domestic Purposes.

Secure This New Book!

THE FINANCIAL POST SURVEY OF
CORPORATE SECURITIES
1931

THE new edition of The Financial Post Survey of Corporate Securities to be published about May 30th will be of the greatest possible value to investors. In comparison with previous years it will show the earnings and balance sheets of over 1,300 Canadian companies for the difficult year of 1930.

Every word and figure are revised from last year—complete information is given about each company in a compact, concise manner.

All new companies formed in the last year are covered.

A new section on Fixed Trusts is being added to the chapter on Investments Trusts.

Each chapter will be introduced by an analysis and review of the industry as a whole and the relative position of principal companies will be discussed.

Send your $2.00 now so that you will be one of the first to receive a copy.

ORDER COUPON

THE FINANCIAL POST,
153 University Ave., Toronto.

Attached is my $2.00. Send me a copy of The Financial Post Survey of Corporate Securities, 1931, as soon as it comes off the press, about May 30th.

Name ....
Address ....
....

668

BUILDING A GREATER MONTREAL

Co-operating to Visualize a Great City and Its Commanding Future

. These public-spirited firms and institutions whose names appear on this page are making possible the telling of the "Story of Montreal" as a city of outstanding opportunity.

ALDRED & COMPANY LIMITED
Investment Bankers

THE BELL TELEPHONE COMPANY OF CANADA
"Accelerating and Unifying Montreal's Growth"

CANADIAN VICKERS LIMITED
Ship Building—Engineering—Structural Steel—Aviation

CLAUDE NEON GENERAL ADVERTISING COMPANY LIMITED
"Outdoor Advertising in All Its Phases"
Bill Boards—Painted Display—Neon
101 Sherbrooke Street West

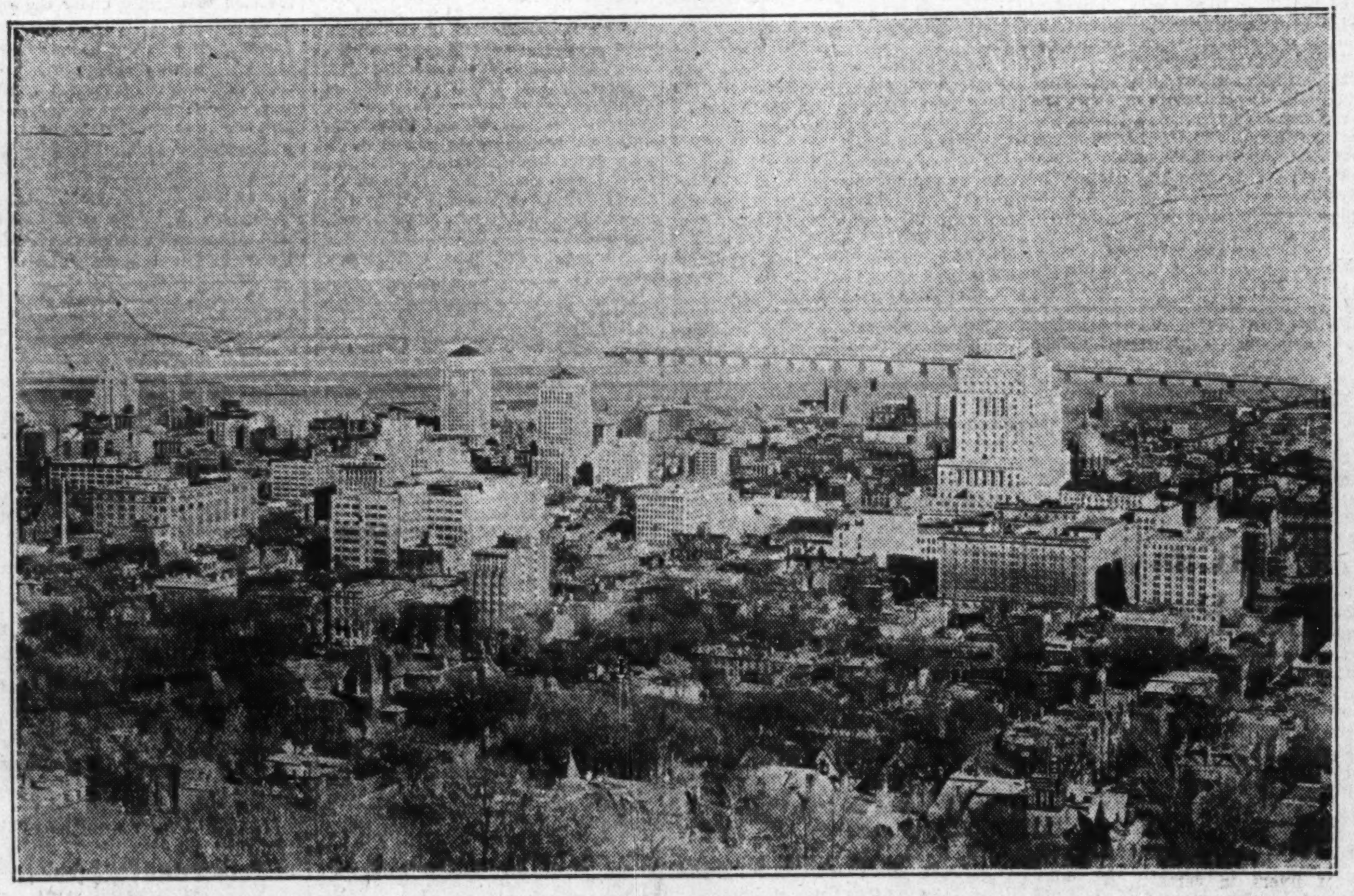
COMPAGNIE AERIENNE FRANCO CANADIENNE
Specialists in Aerial Mapping and Town Planning Charts
266 St. James Street West

CONSOLIDATED OKA SAND & GRAVEL COMPANY LIMITED
248 McCord Street

The Gazette
"Canada's Best Newspaper"

GURD'S SPARKLING BEVERAGES
Standard for over 60 years

MATHEWSON, McLENNAN & MOLSON
Established 1881
Members Montreal Stock Exchange
Members Montreal Curb Market
215 St. James Street



An impressive recent view from "Mount Royal" — eloquent of Montreal's creative expansion. From left to right, dominating the sky-line, are the Aldred Building, the Royal Bank Building, the Bell Telephone Building (with the new "Long Distance" Building beside it), the Sun Life Building. Victoria Bridge is seen in the background.

Creation Never Ceases

"We talk of creation as a past thing. But the truth is, creation is eternal. Creation never ceases."

Montreal's ever-changing sky-line—reaching outwards and upwards—is a convincing reminder of the city's fulfillment of the principle that creation never ceases.

In periods of economic readjustment such as the present, a city like Montreal whose foundations go back three centuries, is a fruitful symbol of faith for the future.

Inherent in Montreal is the same pioneer courage, faith and vision which have enriched the city's progress throughout the years.

And Montreal's growth is but a reflection of Canada's steady expansion. So situate that it is the inner portal to Canada's import and export trade, Montreal is a mirror of the nation's strength and power of achievement.

The economic tides pause to flood again. Today, Montreal offers abundant fulfillment to those who share its opportunities and build for its future.

Inquiries concerning Montreal's advantages and opportunities will receive prompt and authoritative replies if addressed to The Commissioner, Montreal Industrial Commission, 4 Notre Dame St. E., Montreal.

MONTREAL EXHIBITION COMPANY LIMITED
"100,000 Square Feet of Exhibition Space"
Delorimier and Ontario Streets

MONTREAL LIFE INSURANCE COMPANY
A policy to meet all insurance needs
"The Friendly Company"

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED
Dual Service
Gas and Electricity

MONTREAL TRAMWAYS COMPANY
A Tram or Autobus to anywhere within Montreal

MONTREAL TRUST COMPANY
Executors and Trustees
Place d'Armes Square

THE NATIONAL BREWERIES LIMITED
Operating
Dow Brewery, Dawes Brewery,
Ekers Brewery in Montreal,
Boswell's Brewery in Quebec

PROPERTY CORPORATION OF CANADA LIMITED
"We have faith in Montreal"
1409 Peel St.

THE ROYAL BANK OF CANADA
"Serving Canadians Since 1869"

STANFORD'S LIMITED
"The World's Best to Eat"

UNITED ENGINEERS AND CONSTRUCTORS (CANADA) LIMITED
Dominion Square Building
"Maximum Return to Clients Per Dollar Invested"

THREE CENTURIES OF ACHIEVEMENT

Featuring Resources of Newfoundland

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MAY 28, 1931 | 10c a Copy; $5.00 a Year | No. 22

FISH CATCH STILL HOLDS LARGE PLACE

Despite Diversity of Recent Years 40% of People Depend on Sea

MANY PROBLEMS

Research Now Being Applied to Task of Modernizing 300-Year-Old Industry

Although the pulp and paper industry of Newfoundland has loomed large in the economic life of Newfoundland in recent years, fishing is still the backbone of the business structure in that it forms the major occupation of about 40 per cent of the total population and for over 300 years has been part and parcel of the very existence of this famous colony.

It is therefore encouraging, in view of declining production and export figures, that steps are actively under way to get to the bottom of the current problems that must be faced in the modernization of this important industry. For one thing the Empire Marketing Board has actively allied itself with the Newfoundland Government and is now engaged in the spade work of an exceedingly important venture whereby Dr. Harold Thompson, a marine biologist of high standing will study at first hand the fishery problems of the island, as part of a five-year scheme jointly financed by Newfoundland and the Marketing Board to place on a scientific basis the future development of this industry.

Cod Liver Oil

Another problem which has received official attention of late is that of cod liver oil and mention is made elsewhere in this issue of the important findings of Professors J. C. Drummond and T. P. Hilditch who, under the direction again of the Empire Marketing Board made an exhaustive investigation of "The Relative Values of Cod Liver Oils From Various Sources," to the material benefit of the Newfoundland product.

Another matter of considerable interest and value to the Dominion was the investigation carried on last year by W. L. Calderwood, the Scottish salmon expert whose report appeared in the fall of last year.

One outstanding problem is apparently still in need of a solution, namely the question of proper curing and marketing of codfish, both from Labrador and from the "Shore" fisheries. Important markets are apparently being lost each year due to failure of Newfoundland to meet the requirements of big foreign buyers with the result that much business that should be going to Newfoundland is finding its way to the Icelandic product.

Most Important Industry

As is well-known, codfishing is perhaps the most important of all industrial operations carried on in Newfoundland, so that unsatisfactory curing and marketing methods together with the heavy reverses suffered through the decline of prices, too much sunshine, and lack of bait, have made the 1930 season one of the most difficult experienced in many years.

The following reference by the Newfoundland Board of Trade in its annual report for 1930, puts the case in very definite words as far as the cure of fish is concerned:

"The cure of both Shore and Labrador fish is a subject that has so frequently been dealt with in these reports that we hesitate to again refer to it or even to suggest remedies. The complaint of the buyer is, however, much too important, and the retention of the markets for Labrador so necessary that the trade is urged to take steps without delay to bring about some change that will again place Labrador cure in the pre-eminent position it once occupied with the consumers of soft cured codfish."

Just exactly what happened in 1930 as compared with 1929 is clearly described in the budget speech of Hon. J. P. Cashin, in the House of Assembly, April 22, 1931. He said: "During the calendar year 1929 the total catch of shore fish was approximately 1,000,000 quintals; which returned to the fishermen an average of $9.00 per quintal, or $9,000,000 in cash. For the same period the Labrador fishery aggregated 250,000 quintals at $5 per quintal or $1,250,000. It is therefore seen that the total amount of money paid to our fishermen for the production of the codfishery totalled $10,250,000.

"Now let us make a comparison of the earnings in the same direction for the production of the codfishery for the calendar year 1930 and what do we find? We find the shore fishery producing approximately 900,000 quintals of codfish at an average price of $5 per quintal or $4,500,000. The Labrador Fishery produced 350,000 quintals at an average price of, at the most, $3 per quintal, or $1,050,000; consequently, the total value of the production in cash to the fishermen for the calendar year 1930 amounted to $5,550,000 or in round figures, $5,000,000 less than the same quantity of fish realized to the fishermen for the previous year."

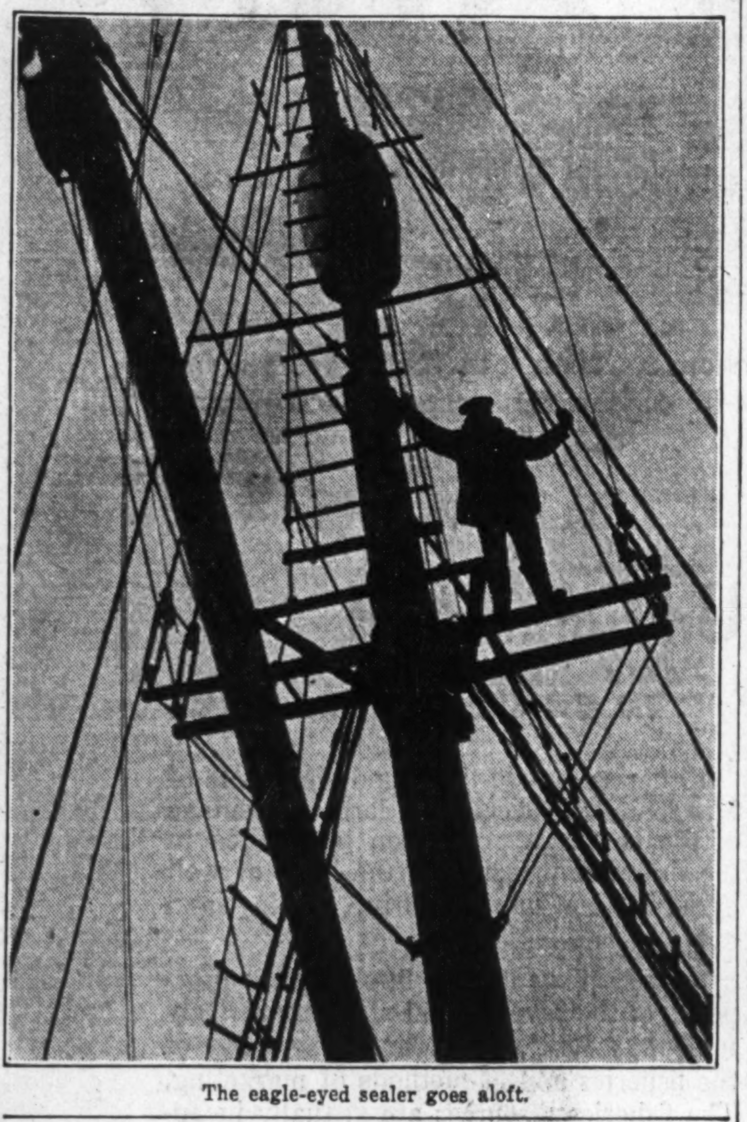
Export figures indicate the importance of the industry. Returns for the fiscal years since 1919 are as follows:

Year	Value
1919	$32,792,271
1920	27,823,331
1921	15,943,490
1922	14,048,746
1923	12,374,169
1924	10,867,496
1925	13,042,901
1926	14,548,829
1927	15,149,985
1928	15,135,281
1929	16,031,735

The fishing areas in Newfoundland are among the most extensive in the world and are roughly divided into three fields. There are the Newfoundland off-shore fisheries, the fisheries off the Labrador coast and the fisheries on the Grand Banks. The Grand Banks are a series of submarine plateaus approximately 1,200 miles long and 30 miles off the south-east coast of the island.

It is estimated that 40 per cent of the population of Newfoundland are dependent upon the fisheries industry for all or part of their living.. The number of persons engaged in the fisheries fluctuates from year to year and no very adequate statistics as to the number of boats or men engaged have been compiled for many years. But for 300 years fishing has been the principal means of livelihood at Newfoundland, and the industry has exerted a predominant influence not only upon trade in the island but upon the life of the people themselves.

Newfoundland in the Look-Out



The eagle-eyed sealer goes aloft.

Cod Liver Oil Experts Prove Value, Efficacy Newfoundland Product

Empire Market Board Makes Thorough Survey of Various Oils

One of the most outstanding events of recent years so far as the Newfoundland cod liver oil industry is concerned was the report of a special research committee appointed by the Empire Marketing Board to conduct a comprehensive study of the composition of cod liver oil, its manufacture and medicinal value, with special reference to Newfoundland and Scotland. The investigation took place in 1929.

The findings of the committee may be briefly summed up in the words of T. Drummond Shiels, who says in his preface to the report: "The research work carried out has demonstrated beyond doubt the unrivalled medicinal value of the cod liver oil produced in Scotland and Newfoundland, should go far to establish the position of the oil from empire sources." The investigation was carried out by Professors J. C. Drummond and T. P. Hilditch.

Vitamin Potency Discussed

As is well known, one of the most important characteristics of cod liver oil as far as modern domestic usage is concerned, is its vitamin potency. The causes of the variations in vitamin potency were studied by this committee which reports that there appear to be two important factors influencing the concentration of vitamin in the liver of the cod. The first is the nature of the food supply, and the second is the quantity of oil stored in the liver. The richness of the food supply of the cod in Icelandic and Newfoundland waters is, says the report, responsible for the relatively large amount of vitamin "A" and "D" found in the livers of fish caught in these areas. The other factor influencing the vitamin potency of the liver oil is the changes that occur in the quantity of oil stored in the liver of the fish. Wide fluctuations in this quantity were found to occur, some of which were due to the abundance or scarcity of food, but the more important of which were associated with the annual physiological cycle of the fish. According to these findings, the higher the yield of oil from the livers, the lower will be its vitamin contents. The richest vitamin oils will, therefore, be obtained in areas where abundant food supplies for the fish are available and at seasons when the oil content of the liver tends to be low.

Newfoundland Oil Leads

"This we believe," says the report, "to be the explanation of the undoubtedly high vitamin value of the oil yielded by the cod caught in Newfoundland waters. Of the oils from the important cod areas studied, those from Newfoundland were found to be of richest vitamin potency. Next in order of merit came those of Icelandic origin, although the number of samples investigated in this case was very small. The oils from Scotland—some proportion of which were derived from fish caught in more northern waters and rendered out on the trawlers—were found to be intermediate in value between the rich Newfoundland oil and the much poorer class of oil of Norwegian origin."

It is interesting to note that in the opinion of the investigators an unfailing indication of the medicinal value of a liver oil is the intensity of the blue color produced with arsenic or antimony trichloride. This test is said to be comparatively easy to apply and although in its simplest form it is not as accurate as might be desired, it does give a fair indication of the relative value of oil.

Opinion on Color

A very important finding in reference to the Newfoundland product is in regard to its color. The committee found that quite definite evidence was obtained that the natural color of cod liver oil tends to run parallel in its intensity with the vitamin content. In other words, the richer the oil the deeper its color. This is in keeping with what is already known regarding the storage and transport of the fat-soluble pigments in the animal body and resembles the parallel which has been found to exist between the natural color and vitamin content of many samples of butter. "Naturally," says the report, "the oils of Newfoundland and Iceland naturally possess a much deeper color than those of Norway. The prejudice against colored oils has been born of the belief that color indicates the use of pale livers or unsatisfactory preparation of the oil. It is true that inattention to the details of preparing medicinal oil will lead to an increased depth of color, but this is invariably associated with an undesirably high acid value. Medicinal oil is produced in Newfoundland with great care and it is certain that the yellow color of this product is natural and associated with a high vitamin activity. The same is true of many Icelandic oils and some produced in Scotland. The pale oils derived from the Lofoten fishing, are generally speaking of low vitamin—certainly vitamin "A" activity."

As to the use of cod liver oil for farm use, the report finds that at the present time many inferior grades of cod liver oil and adulterated oils are sold for farm use. This is highly undesirable and should not be tolerated. "Oil intended for the use of cattle and poultry should, in our opinion, be of a quality little inferior to that employed for human consumption. It is a simple matter to prepare second-grade oils of this type. We would suggest that oils sold for veterinary or farm use should conform to requirements little less severe than those proposed for first-grade medicinal oil."

Cod Oil Production Declines of Late

Cod oil production in Newfoundland has been declining of late years due in part to the shortage of the catch of codfish; the apparent poor yield of livers in certain sections, and to the manufacturing of medicinal cod liver oil. Prices have been low and it is reported that although increases were noted in the shipments to U. S. A., there was a decline in quantities taken by Great Britain and Canada.

Export figures for the past nine years are as follows:

	tons
1921-22	5.827
1922-23	6,158
1923-24	3,239
1924-25	6,171
1925-26	5,145
1926-27	4,860
1927-28	3,384
1928-29	3,181
1929-30	3,190

NEWFOUNDLAND CUTS EXPENSES OF GOVERNMENT

All Items Slashed Ten Per Cent to Pare Probable Deficit

FINANCES REVIEWED

Decline in Revenues Follows General Business Depression and Leads to Budget Deficits

A strenuous campaign of governmental economy has been invoked by Prime Minister Sir Richard Squires and Minister of Finance Hon. Peter J. Cashin in Newfoundland to offset the effect of declining revenues. Newfoundland is experiencing this year the same circumstances as are affecting every country the world over, namely, declining revenues as a result of business contraction. The Government is hoping to offset the major portion of the effects of this decline in revenue, by a reduction in expenses. Already civil service salaries have been cut by 10 per cent and all other items of the Government expenditures have been carefully pruned to the end of bringing them, as far as possible, within the funds that will be available for expenditure.

In the fiscal year, June 30, 1930, the Dominion of Newfoundland enjoyed a surplus of $144,902. As only a small surplus of about $9,000 had been estimated the showing was very gratifying, particularly in view of the heavy post-war expenditure the Island has had to assume in connection with railway development, etc.

Difficulties of Revenue

The following statement shows the governmental revenues and expenditures of Newfoundland during each of the last ten years, and indicates the problem that has faced successive finance ministers in handling the growing needs of the Island, needs that have been intensified by the declining relative importance of the fisheries industry and the rise of such new industries as mining and newsprint paper manufacture.

Revenue and Expenditure

Year	Revenue	Expenditure
1920-21	$8,438,040	$10,951,489
1921-22	8,269,681	9,127,543
1922-23	8,876,773	9,552,302
1923-24	8,401,669	10,022,137
1924-25	9,783,188	9,436,185
1925-26	9,762,551	9,865,167
1926-27	8,932,436	10.533,409
1927-28	9,466,006	10,740,925
1928-29	10,025,649	11,132,822
1929-30	11,579,214	11,434,313
1930-31†	9,920,500	11,895,100
1931-32†	10,010,391	11,467,146

†Estimates.

Surplus or Deficit

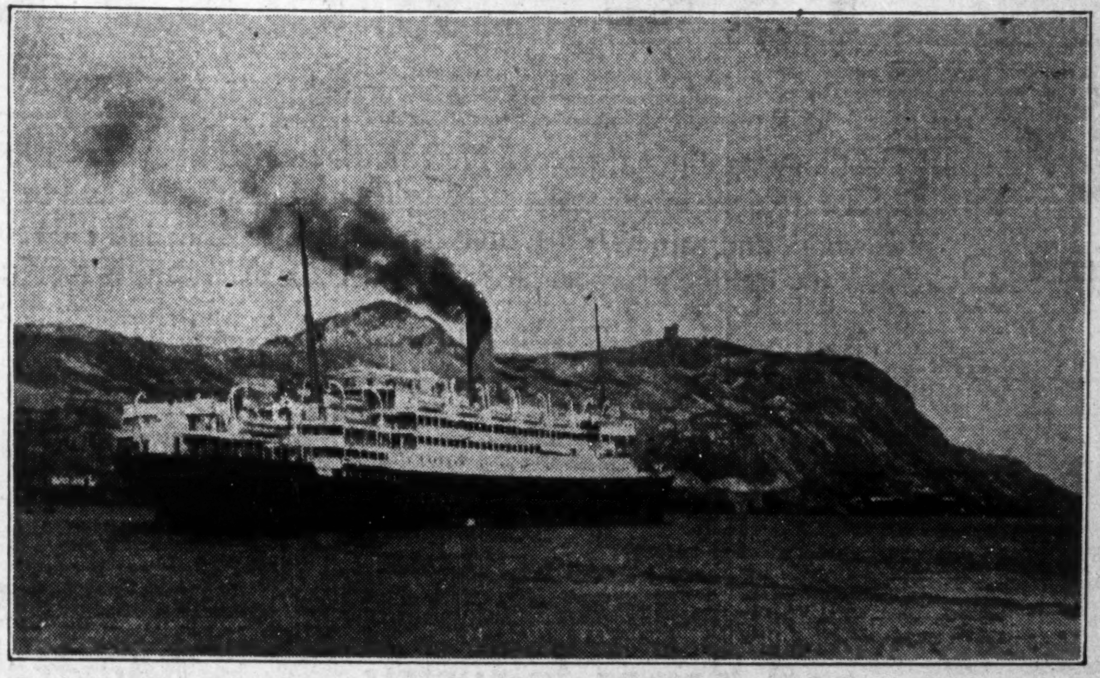
1920-21	—$2,513,449
1921-22	— 857,862
1922-23	— 675,529
1923-24	— 1,620,468
1924-25	+ 347,003
1925-26	— 112,616
1926-27	— 1,600,973
1927-28	— 1,274,919
1928-29	— 1,107,173
1929-30	+ 144,902

Customs Chief Source

The chief source of revenue is the customs, which in the year of 1930 accounted for nearly $9,000,000 of

(Continued on page 17)

St. John's Harbor is Land-Locked



One of the ocean greyhounds that link Newfoundland with Britain, Canada and the United States, leaving the harbor of St. John's.

Newfoundland Spends $6,000,000 for Highways

Past Six Years Have Seen Substantial Changes in Means of Communication Throughout Island

Since 1925, Newfoundland has spent approximately $6,000,000 on improving and maintaining its highway system, and as a result between that date and the end of 1930, approximately 1,100 miles of highway have been improved or reconstructed within the dominion and some 125 bridges constructed with a view to aiding travel and communication within the colony. Some facts regarding this important development of recent years are therefore of interest.

In 1925, an act of the legislature was passed incorporating a highroads commission, with the object of taking over gradually the roads of the country which up to that time had been under the care of the department of public works; which unequipped with machinery and working through locally appointed road boards, was unable to meet the requirements of modern motor traffic.

Road Commission Tried

Before the highroads commission was appointed, a road commission had been tried as an experiment, but it was handicapped by lack of funds and the necessary professional and technical staff. However, it did good work over a limited area near St. John's and it paved the way to the appointment of the present organization. This commission, comprised of men largely interested in motoring, acquired a small quantity of road building machinery which afterwards formed the nucleus of the plant now owned and operated by the highroads commision.

The operations in the first season (1925) consisted largely in obtaining and training suitable supervision, organizing staff indoors and outdoors obtaining a limited amount of plant and so forth, and were handicapped by the fact that owing to certain amount of unemployment, men had to be put to work before the commission was prepared. However, 141 miles of existing roads were widened, ditched and generally reconstructed as motor roads including a number of small diversions. The policy of replacing timber bridges with permanent concrete structure was adopted and in the first year 16 bridges were commenced and all but 2 completed. The total expenditure was $1,021,444.

Big Programme in 1926

In the season 1926, a further length of 216 miles was reconstructed and 28 bridges were completed in concrete, the total expenditure being $1,191,787 including the cost of maintenance of roads previously constructed. In the season 1927 only $295,019 was spent for an improved mileage of 68 miles, 12 more bridges, and maintenance of previously reconstructed roads.

In the season 1928 a further mileage of 194 miles was reconstructed or improved and 17 more bridges were built which including maintenance represent a total expenditure of $483,820. The advent of a new government under Rt. Hon. Sir Richard A. Squires, caused some changes in the personnel of the commission and gave it a parliamentary head in the

(Continued on page 17)

Carries Frozen Fresh Salmon to British Markets

Steamship "Blue Peter," owned by Job Brothers, equipped with cold storage facilities, for the fresh salmon trade.

Canadian Government Opens Door to Colony

Perley Reference Taken to Indicate Canada's Willingness to Create Closer Tie With Newfoundland

From Our Own Correspondent

OTTAWA.—The reference by Sir George Perley, minister without portfolio in the Bennett ministry, to closer trade relations in the seeking of South American markets between Canada and Newfoundland, is construed in official circles here to mean that the Government is holding the door open to Newfoundland to join the Canadian federation.

Since taking office last August, the Bennett government has not had time to sound out opinion in Newfoundland on the question of union with Canada, but it is learned that the present ministry would welcome overtures from the sister Dominion in this direction. Indeed, when Federal business slackens off, and the session is out of the way, it is more than possible that Mr. Bennett will open negotiations, informally, in this regard. That there are great difficulties in the way—difficulties of debt adjustment and representation—is conceded, but the mutual advantages of amalgamation are too obvious to require argument.

Door is Open

There has been a desire among prominent business men of Canada for union with Newfoundland ever since the boundary decision of the Privy Council gave a large part of Ungava to that Dominion—including an area rich in resources and thought to belong to Canada.

The Bennett government will require no authority from parliament to institute negotiations of this kind. At the time of Confederation, it was believed that ultimately all of British North America would join the Dominion of Canada. That was the view of Sir John A. Macdonald, and other leaders of the Confederation period. Consequently, clauses were inserted in the British North America act covering subsequent unions, and by reason of these clauses, negotiations would be carried through at any time. The clauses are found in sections 146 and 147 of the B.N.A. act. They read:

"It shall be lawful for the Queen, by and with the advice of Her Majesty's Most Honourable Privy Council, on addresses from the Houses of the Parliament of Canada, and from the houses of the respective legislatures of the colonies or provinces of Newfoundland, Prince Edward Island, and British Columbia, to admit those colonies or provinces, or any of them, into the union, and on address from the Houses of the Parliament of Canada, to admit Rupert's Land and the North-western Territory."

"In the case of the admission of Newfoundland and Prince Edward Island, or either of them, each shall be entitled to a Representation in the Senate of Canada of four members, and (notwithstanding anything in this act) in case of the admission of Newfoundland, the normal number of senators shall be seventy-six."

Of course the provisions of the act in regard to representation have been changed by subsequent amendment, but the authority to negotiate for union is explicit in these clauses. After an agreement had been reached between the two governments, the necessary addresses could be introduced in the two legislatures.

MANY OPENINGS FOREIGN TRADE SEEN BY PRATT

President Newfoundland Board of Trade Discusses Tour

That Newfoundland is neglecting her trade opportunities in the West Indies and South America was the message brought back to the colony by C. C. Pratt, president of the Newfoundland Board of Trade who recently accompanied the Canadian trade mission to South America. Mr. Pratt collected valuable data at first hand as to trade possibilities for Newfoundland in dried codfish and found that in many valuable markets the colony's product was either absent entirely, or had actually lost ground in recent years.

In Havana, for instance, Mr. Pratt found importations of dried codfish in recent years amounted to about 250,000 quintals valued at $2,500,000, but that not one quintal of fish was listed as coming from Newfoundland. Norway and Canada apparently supplied the bulk of imports, with British Isles and U. S. A. (foreign production) supplying most of the remainder. In 1930 the percentages of imports were: Norway 43 per cent; Canada, 40 per cent; U. S. A. 9 per cent and Great Britain, 6 per cent. Newfoundland, according to Mr. Pratt, had at one time an important export trade to Cuba which had apparently disappeared.

Trinidad Trade Declines

At Trinidad, perusal of the customs figures elicited the information that Newfoundland's exports of codfish to that island had fallen off 70 per cent in the last three years in spite of the fact that Canada maintained her position and other countries increased their shipments by 400 per cent. Mr. Pratt said he had ascertained that most of the Canadian trade with Trinidad was done through Halifax exporters and was sold as a result of firm orders, not on consignment. "Never in the past," says Mr. Pratt, "have the other fish producing countries been so active as now in widening their markets.

Mr. Pratt found that in Northern Brazil, Newfoundland fish holds its place against the inroads of foreign competition better than in any other market but issued a warning that this advantage should be very closely guarded. No trade was carried on between Newfoundland and countries south of Brazil Mr. Pratt said, although Rio de Janeiro, imported some 250,000 quintals annually while Santos and Sao Paulo received about 100,000 to 150,000 quintals a year. Buenos Aires was found to import about the same amount.

"We visited six centres where dried codfish article has an important sale," said Mr. Pratt. "In only one, namely Pernambuco has Newfoundland a material stake. Of the other five centres, Cuba, Trinidad, Santos and Sao Paulos (Santos being the port of Sao Paulo), Rio de Janeiro and Buenos Aires we trade only with Trinidad. In 1929 we sold 2,404 quintals out of a total importation into Trinidad of 49,310 quintals. In the remaining four places the yearly consumption is at least 700,000 quintals (equal to about two-thirds of the whole Newfoundland and Labrador catch) of which not one quintal is from our country.

"I know it will be said that Newfoundland fish is not suitable for some of these markets. That may be quite true in part as far as the present cure is concerned, but cannot we take a pattern from the enterprise of our European competitors, who years ago sent to Newfoundland and Labrador and studied methods of curing our Labrador codfish, and then drove us out of certain of our European markets by selling what they termed 'imitation Labrador codfish.' Newfoundland fish markets are being attacked by our foreign competitors with an intensity never before equalled.

"I fully realize that the exploiting of a new market, whether to dislodge competitors or to break entirely new ground, calls for great courage, and exporters individually may well feel justified in not submitting themselves to the attendant risks. The smaller the stake any exporter has in the fish business the less inclined he will be to take those risks. At present many of our St. John's exporting houses are engaged in a wide variety of pursuits, and it seems to me that the same concentration is not given to fish exporting as in former days. This makes it all the more necessary that there should be closer harmony and a more general pooling of interest, than ever."

PAPER MILLS SET NEW PEAK IN PRODUCTION

Natural Advantages Concentrate Output at Nfld. Mills

TWO FOR NEWSPRINT

Third Project Seems Unlikely to Develop in Near Future, Due to Markets

While mills manufacturing newsprint paper all over the North American continent are running at an average of only about 65 per cent of capacity, mills in Newfoundland are continuing to speed production. For the first four months of the present year, for instance, the Newfoundland mills operated at 91 per cent of their capacity, and produced some 95,000 tons of paper, an average of nearly 25,000 tons a month. This set up a new record for the Newfoundland mills, which in the first four months of 1930 had produced 91,000 tons of paper.

Two Large Mills Operate

Many factors contribute to this excellent showing by the newsprint manufacturing industry of Newfoundland. There are two large newsprint mills in Newfoundland. One of these has been operated for many years by the Anglo-Newfoundland Development Company, and supplies newsprint paper to certain dailies in London, England. The other is the more recent mill built by the International Power and Paper Company of Newfoundland. This came into production six years ago, when it was first built by an English group and it has steadily proven its efficiency by increasing its daily output.

Costs of producing newsprint in Newfoundland are comparatively low due to the ease with which wood can be gotten out in winter, to the somewhat lower wage levels prevailing, to low cost power, and also to the important factor that the cost of shipping newsprint paper from Newfoundland to New York and other Atlantic seaboard markets is less than the rail freight costs from Canadian mills to these buyers. For that reason, the International Paper Company, which has been running its mills in United States and Canada at far below capacity, has been pushing production at its Newfoundland mill at Corner Brook.

Now Leads in Wealth

Even at present low prices for newsprint paper the annual value of the production in Newfoundland is well over $16,000,000. Practically all of this is for export, and in the last few years newsprint paper has ranked first in the exports of the Island Dominion. For many years the products and exports of the fisheries were the leading industry of the island, but newsprint paper has established itself in first position and seems likely to maintain that position for some years to come, and seems unlikely to be ousted by anything but the products of the mines at some possible future date.

The following table shows the growth of the output of newsprint paper in the Dominion of Newfoundland. It will be seen that for each year since 1923, there have been increases in production, a record that is quite unprecedented, for in this year the production of American mills has been declining while the production of Canadian mills which grew rapidly until 1929 showed a definite decrease in 1930.

Newfoundland Newsprint Output

	Tons
1923	63,908
1924	64,648
1925	96,688
1926	186,471
1927	202,852
1928	230,852
1929	255,800
1930	287,259

Anglo-Newfoundland Mill

The first newsprint mill in Newfoundland was built by the Anglo Newfoundland Development Company and came into operation on the 22nd of December, 1909, with a total per day output then of 120 tons. The company has shown a steady development since, without any striking increases. The daily output of newsprint is now about 400 tons. The five existing paper machines at the plant have been modernized with new and up-to-date equipment, resulting in increased capacity. Improvements in this connection have involved recently the expenditure of more than one million of dollars. At the present time, work is progressing on other improvements in the Grand Falls mill, and it is likely that about one million dollars will be spent during 1931, not only to bring the Grand Falls plant up to the minute as regards equipment, but to increase its capacity.

The entire plant has been built with a view to permanent operations. The company has built a fine town at Grand Falls, and has also a number of smaller communities operating in connection with the lumber camps, where it takes out the wood in the winter.

Corner Brook Mill

The next largest mill to be erected in Newfoundland and the one that is now the largest in daily production is the Corner Brook mill completed five years ago. The Corner Brook mill was originally built by the Newfoundland Power and Paper Company, which was controlled by an English group and was financed in Great Britain as part of a post-war scheme of creating business for manufacturers by the government guarantees of the necessary security issues. The Dominion of Newfoundland guaranteed one of the issues of securities. There was not the best attention paid to economic construction when the mill was erected, and it soon ran into financial difficulties. The Newfoundland Government had to step in to protect its interests, and it was fortunate enough to be able to make an excellent deal with the International Power and Paper Company, whereby that corporation took

(Continued on page 17)

The national emblem of Newfoundland, the caribou. This is the striking bronze statue seen in the natural setting of Bowring Park, St. John's.

NEWFOUNDLAND

FOR generations the word Newfoundland has been symbolic of the fishing industry. And fishing is, of course, still the primary occupation, but times are changing and new works and new developments are being woven into Newfoundland life. Power, pulpwood, and minerals are now definitely established in the economic plan of the country. With the gradual and necessary influx of new capital the prospects for the future are exceedingly bright.

Business men have definitely turned to Newfoundland as a storehouse of great economic wealth. In recent years many enterprises of major importance have arisen, engaged especially in the development of the tremendous timber, power and mineral resources.

Seat of Great Pulp and Paper Industry

Newfoundland is the seat of a great paper making industry that is gaining in importance as new projects are undertaken and brought to successful fruition.

Two of the most important newsprint paper mills on the North American continent are already converting the timberland riches of Newfoundland into a steady stream of golden wealth pouring into the coffers of the country's citizens. Last year exports of paper exceeded in value $15,000,000 and ranked second only to the fisheries as a source of wealth to the country.

Combination of the water power resources of Newfoundland with the forestry wealth of the Dominion, both in the island domain and on the coasts of Labrador, will create new mills in the future.

In paper making, Newfoundland's future is assuredly bright. Lumbering operations are also conducted and can easily undergo further expansion.

Developing Rich Mineral Resources

Newfoundland has long been known as a country rich in mineralization and it has for many years reaped a large annual revenue from its mines. Iron ore at Bell Island is the foundation of prosperous communities in the colony. Rapidly moving developments in the Central Mineral Belt, notably the operations at the fabulously rich Buchans Mine, are adding zinc and lead ores (and will shortly add the metals in the refined form) to the exports of the Colony. Further large iron ore deposits, zinc-lead bodies, coal fields and copper mines are only awaiting active exploration in different parts of the island.

With such a rich mineralized area there is room for further prospecting, exploration and development. Newfoundland's mining activity has only begun to get into its swing.

The union of new capital and enterprise with these mineral resources will paint a prosperous picture for the coming generation.

Undiminished Wealth in Fisheries

Fisheries remain the foundation stone of Newfoundland wealth. A large percentage of the country's population is engaged in the fisheries, which form the basis as well of profitable manufacturing, curing and exporting operations.

Science plays its role in aiding the prosperity of the fisheries and plans are actively underway for further stimulating study of the fisheries and of methods of marketing. The fisheries resources are virtually incapable of extinction but maintenance of even the present satisfactory status quo is not regarded as sufficient. The fisheries must go on to further planes of usefulness and importance.

The shore fisheries, the Grand Banks fisheries and the Labrador fisheries are all important. They bring revenues to the people, aid in the maintenance of favorable trade balances and insure financial strength to the country and its government.

A RECORD OF SOLID PROGRESS

Trade Statistics from 1922-23 to 1929-30

Year	Imports	Exports	Total Trade
1922-23	$19,321,824	$20,956,863	$40,278,687
1923-24	27,677,182	21,071,571	48,748,753
1924-25	36,404,674	23,590,186	59,994,860
1925-26	27,552,305	27,563,213	55,115,518
1926-27	25,813,871	30,839,859	56,653,730
1927-28	27,637,193	33,644,619	61,281,812
1928-29	29,237,381	36,797,703	66,035,084
1929-30	31,871,151	40,051,959	71,923,110

Total Trade

With	1928-1929	1929-1930	Increase	Decrease
United Kingdom ..	$13,790,096	$14,175,523	$ 385,457	....
Canada	14,879,217	16,961,079	2,081,862	....
U.S.A.	23,477,074	23,534,670	2,057,596	....
Other Countries	15,888,697	17,251,838	1,363,141	....
	$66,035,084	$71,923,110 66,035,084	$5,888,026	
Increase over 1928-29 ...		$ 5,888,026	$5,888,026	

SAVING DEPOSITS

1924	1926	1928	1929	1930
$22,135,223.21	$23,903,844.95	$26,489,565.18	$26,246,004.86	$26,233,815.00

GOVERNMENT

of Newfoundland

Members of the Cabinet:

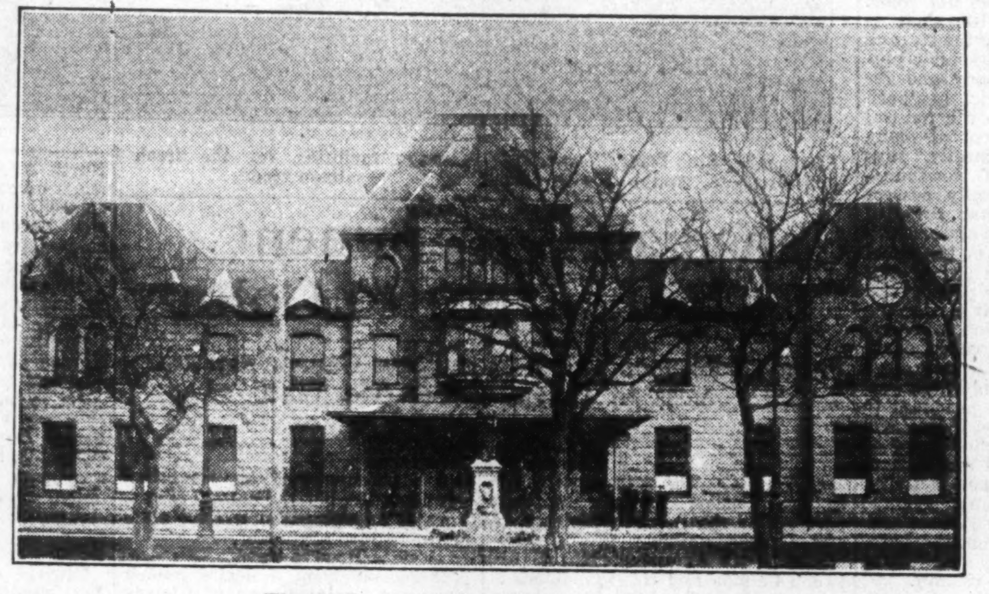
RT. HON. SIR RICHARD SQUIRES, K.C.M.G., K.C.
Prime Minister and Minister of Justice
HON. ARTHUR BARNES, B.Sc., Ph.D.,
Secretary of State
HON. PETER J. CASHIN
Minister of Finance and Customs
HON. WILLIAM W. HALFYARD,
Minister of Posts and Telegraphs

Ministers Without Portfolio:

HON. SIR WILLIAM F. COAKER, K.B.E.
HON. TASKER COOK
HON. ALEXANDER CAMPBELL, M.D.
HON. H. M. MOSDELL, M.B.
HON. F. GORDON BRADLEY, K.C.
HON. PHILIP J. LEWIS

Heads of Departments Without Seats in the Cabinet:

MR. JOSEPH F. DOWNEY,
Minister of Agriculture and Mines
MR. RICHARD HIBBS,
Minister of Public Works
MR. H. B. CLYDE LAKE,
Minister of Marine and Fisheries



The Railway Station, St. John's, Nfld.

FOR FURTHER INFORMATION APPLY
GOVERNMENT OFFICES
ST. JOHN'S, NEWFOUNDLAND

LABRADOR

Foundation Stone for Newfoundland's Larger Future

IN LABRADOR, Newfoundland has an asset of such great potential importance that the present generation can hardly visualize it. Labrador is a country of natural wealth, untouched, unspoiled but awaiting profitable exploitation. There are vast areas of rich timberland, known mineral deposits and mineralized areas suggestive of great possibilities, water powers of first magnitude and tidewater harbours.

The area of Labrador is three times the area of island Newfoundland. The population is yet small. Already capitalists have made preliminary explorations into Labrador's wealth and have conceived enterprises that will sanely and profitably exploit this wealth. But even those already visualized do not begin to provide for the complete use of what Labrador has to offer to the forward looking capitalist or promoter.

Newfoundland is determined that Labrador shall be made to yield up her wealth to the people of the Colony. But no short-sighted, over-hasty development will be permitted. Labrador gives great assurance of true prosperity for all Newfoundland and this opportunity will be faithfully reserved.

AVALON TEL. CO. ADDS TO PLANT DURING 1930-31

Newfoundland and Belle Is. Switchboard Increased by 1,200 Lines

Avalon Telephone Co., Ltd. capped several years of steady and consistent growth by making important expansion during 1930.

The company was incorporated in 1919 for the purpose of reconstructing and extending the telephone system of St. John's and the Avalon Peninsula. The properties, which were acquired from the Anglo-American Telegraph Co., Ltd., consist of a 10,000-line capacity telephone exchange at St. John's and about 1,200 circuit miles of trunk lines to fifteen exchanges within a radius of 100 miles.

In the latter part of 1930 a contract was signed with the Stromberg-Carlson Telephone Mfg. Co. for the installation of a 700-line addition to the present switchboard and a 500-line super-service switchboard for the company's Bell Island exchange. The company holds exclusive franchises from the Newfoundland Government for the districts served for a period of 30 years, dating from September, 1919, subject to the Government's right to purchase, upon one year's notice, its plants at any time after September, 1934.

7,500 Telephones

The growth of the company's operations are indicated by the fact that in 1921 the company had but 900 telephones installed, while today's total approximates 7,500. About 570 installations were added during 1930. The population served is in excess of 100,000. The number of telephones per capital is still below the average for similar districts in Canada and it is anticipated that there will be a continued increase.

Exchanges are now operated at Bell Island, Carbonear, Harbor Grace, Bay Roberts, Brigus, Avondale, Holyrood, Kelligrews, Topsail, Portugal Cove, Pouch Cove, Goulds, Witless Bay, Calvert, Old Perlican, Western Bay, New Harbor, Whitbourne, and Placentia. Toll service has been extended to Point Verde and Green's Harbor.

During 1930 the company handled well over 16,000,000 calls, this showing an increase over the previous year of some 2,000,000 calls; toll business showed an average increase.

Rates Revised in 1927

Rates, as revised in January, 1927, as as follows: business, $54 per annum; residence, 1-party, $39; 2-party, $30; 4-party, $24.

Negotiations are at present under way between the company and the American Telephone and Telegraph Co. to establish a service between Newfoundland and the United States. It is also likely that the company's system will be linked in with a new telephonic submarine cable between North America and Europe which the American company is planning to lay, landing at Trinity Bay. The Avalon Telephone Co.'s part in such a scheme would be to build a trunk line from St. John's to Trinity Bay, at the same time installing a local telephone service on the Burin Peninsula.

Capitalization Details

In June, 1930, the company offered $750,000 of 5½ per cent first mortgage bonds the proceeds of which were used to redeem a former issue of $380,500 6 per cent bonds, due 1946, and $137,300 of 5½ per cent debentures, due 1958, then outstanding, and to finance expansion.

There is also outstanding at the present time $400,000 of 7 per cent $25 par value preference and $236,350 of common stock. Dividends have been paid regularly on the preference issue since incorporation, while on the common shares 2 per cent was paid in 1922, 4 per cent in 1923, 5 per cent in 1928 and 6 per cent in 1929. Payments for the fiscal year ending December 31, 1930, are not available.

The company has been largely financed in Canada, but it is a local enterprise and is controlled in St. John's by the same group as control the United Towns Electric Co.

Annual Statement

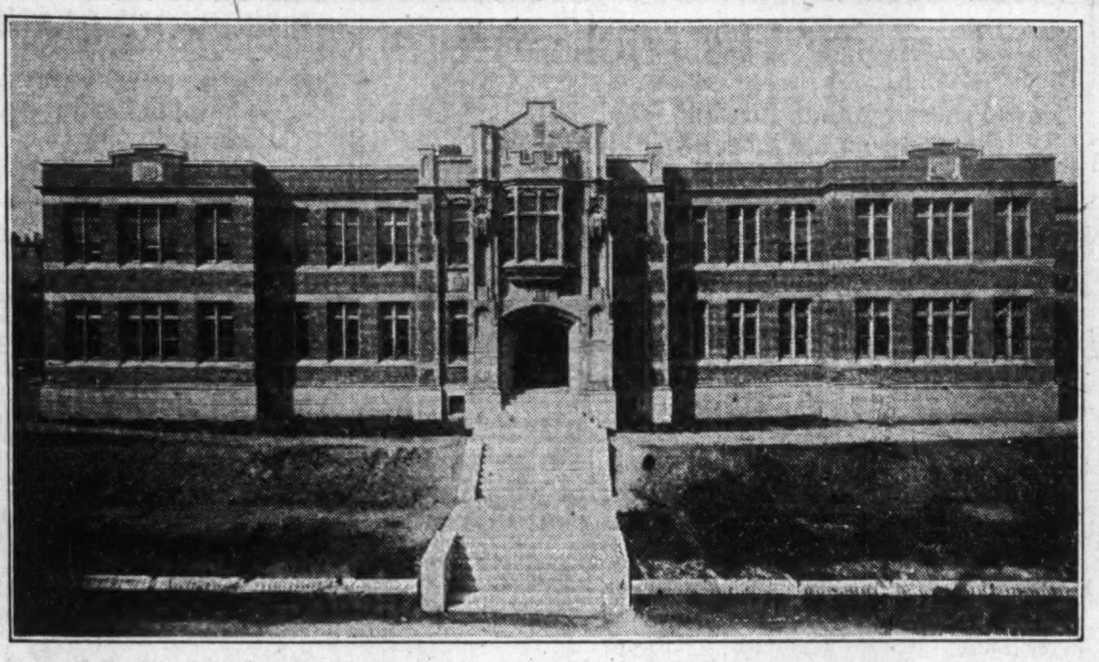
The annual statement for the fiscal year ending December 31, 1930, is not to hand, but comparative figures for 1928 and 1929 are appended. Reliable estimates give the earnings for 1930 at $132,000 before depreciation, available for bond interest which will amount to approximately $41,250.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1929 $	1928 $
Gross earn.	221,080	198,405
Less: Oper. exp.	103,659	94,675
Net earnings	117,421	103,730
Less: Deprec.	41,394	37,536
Bond int.	27,161	23,825
Res. for sink. fund	6,786	6,360
Net profit	42,081	36,009
Less appropriations:		
Pref. div.	28,000	28,000
Com. div.	14,181	11,818
Surplus for year	*099	*3,809
Add: Prev. surplus	691	4,500
Bal. carried forward	592	691
*Deficit.		
Times Bond Interest Earned:		
After deprec.	2.80	2.78
Earnings per Share and Dividend Record:		
†Pref.: Earned	$2.63	$2.25
Paid	1.75	1.75
Common: Earned	1.49	0.85
Paid	1.50	1.25

†$25 par value.

One of Many Fine Educational Institutions



The newly completed Bishop Feild College at St. John's.

Big Newsprint Future Assured for Labrador

By H. HERMAN ARCHIBALD

In the Labrador forests, Newfoundland, owns the largest virgin area of readily accessible spruce wood in the world.

This hundred million cords of pulpwood represents seventy million tons of paper and allowing seventy years for reproduction this amounts to one million tons of paper per year for all time The manufacture of this exceedingly valuable stand of spruce and fir wood, at a time such as this when other forests are being depleted at such a tremendous rate, will give to Newfoundland a pulp and paper industry of three thousand tons per day, with ample provision made to perpetuate the industry.

In addition to this Newfoundland has undeveloped wooded areas capable of maintaining the manufacture of over a thousand tons per day in addition to the present output of 900 tons per day, six hundred at Corner Brook and four hundred at Grand Falls.

Thee Newfoundland pulp wood areas thus, when fully developed, are capable of maintaining the huge industry of the manufacture of five thousand tons of paper per day. The advantages in freight rates in the distribution by water haulage of this stupendous quantity of paper to the points of consumption are well-known to those interested in newsprint, and together with many other savings in cost in Newfoundland operations assure to her a wonderful future in this great cellulose industry.

Newfoundland can boast of abundance of water powers on its island home to take care of the production of all this paper and then have plenty to spare for the many other developments that are looming-up upon the industrial horizon.

NEWFOUNDLAND SPENDS $6,000,000 FOR HIGHWAYS

(Continued from page 15)

person of R. Hibbs, minister of public works while preserving the distinction already existing between the commission and the department of public works.

In the season 1929 the total mileage built and reconstructed was 112 miles of motorable road, 23 new concrete bridges were built and all roads already conditioned were maintained for a total expenditure of $1,156,701. The unit cost of road building in this period was considerably increased due to a large proportion of the work being new construction through virgin country in pursuance of a policy that will eventually connect St. John's with Fortune Bay and the Burin Peninsula, on the southwest coast of the island.

For the season of 1930, expenditure is estimated at about $1,750,000 covering the construction, reconstruction and improvement of 268 miles of roads and 31 concrete bridges.

The fact that motor vehicles have increased from 1,081 in 1925 to 3,037 in 1930 shows that the road policy has been of great value to the country by increasing the means of communication between towns and villages. The number of tourists bringing their cars by sea to Newfoundland increased from 4 in 1925, to 44 in 1930. Newfoundland famed scenic attractions and well stocked salmon and trout rivers lure increasingly large numbers of tourists to its shores year by year.

Comparative statistics of the progress achieved year by year are as follows:

	Bridges built	Miles of highway reconstructed	Money spent on constr. & maintenance
1925	16	141 (mi.)	$1,021,444
1926	28	216	1,191,787
1927	12	68	295,019
1928	17	194	483,820
1929	23	112	1,156,701
1930	31	268	1,750,000*
	127	999	$5,898,771

*Est.

NEWFOUNDLAND CUTS EXPENSES OF GOVERNMENT

(Continued from page 15)

the $11,500,000 of revenue. Newfoundland has a fairly high average rate of customs duty. This bears least heavily upon primary producers such as the fishermen, and while it adds considerably to the cost of imported articles, it must not be forgotten that it represents the chief tax paid by the people.

Next item of revenue in order of importance, is the income tax, but this accounts for only one-tenth as much revenue as the customs, although the figure is growing.

The chief sources of revenue during the year 1930 were as follows, this giving an indication of how the Government collects the funds to carry on its work.

Sources of Revenue

Customs	$8,834,843.11
Postal	410,739.40
Telegraphs	204,497.37
Inland rev. stamps	75,364.95
Crown lands	124,279.69
Liquor profits	359,000.00
Fines and forfeitures	8,737.53
Int. guaranteed loans	76,891.08
Broom department	2,123.80
Taxes and assessments	64,102.28
Fees public institutions	60,450.95
Death duties	113,268.45
Income and other taxes	812,758.57
Miscellaneous	432,167.73
	$11,579,214.96

Revenue From Income Tax

Income tax, which was formerly in force and had been dropped, was reimposed as of January 1, 1929, and the collection of $800,000 from this source in the first year of its operation was gratifying to treasury officials. In addition, the country enjoyed a larger revenue from the Wabana ore mines, having reimposed a royalty of 10 cents per ton on the first million tons exported and 3 cents per ton on the next 500,000 tons.

One of the most expensive operations in Newfoundland that the Government must assume is that in connection with the railway. The Newfoundland railway was built as a private undertaking but had to be taken over by the Government. It is far from being on a profitable basis of operations. The railway system represents a capital expenditure of about $45,500,000, being the actual cost of the taxpayers up to date. It is necessary to keep the railway modernized, and during the last fiscal year about a million and a half dollars was spent on the system, $387,000 of this amount being the deficit on current accounts for the fiscal year 1928-1929, the balance being expended on re-railing, purchase of new locomotives, purchase of steel for the construction of machine shops, material for the construction of a bridge and purchase of new sleepers and a diner.

Operating Deficits Shown

The railroad does not quite pay operating expenses. The fiscal year of 1929-1930 showed earnings of the railroad at $3,714,606, and expenses on operation alone of $4.095,100, leaving a deficit on the whole transportation system of $380,904. This was slightly less than the deficit in the previous year.

In addition the country is burdened with the interest on the investment made and with subsidies paid out of the exchequer for steamship operation and for the carrying of mails. These latter aggregate $460,000 while the fair allowance for the interest on the Dominion's investment in the fifteen steamers and the dry dock would be about $2,275,000. Adding these to the operating deficit it will be seen that over $3,000,000 a year of the budget of Newfoundland represents the cost of the transportation system.

Look to Some Lightening

Discussing this item in the Government's revenue, Hon. Peter J. Cashin, minister of finance, said in his budget speech recently: "It is gratifying to see, however, that during the past five years deficits have been gradually decreasing, and while, for the immediate present, it may be too much to look forward to the balancing of our railroad accounts on ordinary current operation (principally due in my opinion to the present doubtful commercial conditions which exist in our own country and are similar in a smaller degree to those existing in practically every country in the world, I feel confident that within the next three or four years we can view with optimism the balancing of our railway account for ordinary current obligations."

Expect Deficit This Year

While there was a small surplus in Newfoundland's public accounts, for the year to June 30 last, there will not be a surplus for the year to June 30, 1931. This is because business conditions on the Island have not permitted revenues to come up to the estimates which provided for $11,363,140 of income. All branches of the fishery industry, the staple industry of the country, have been depressed. Mr. Cashin estimated that the revenue from the fisheries amounted to about $5,550,000 for the calendar year 1930 as against $10,250,000 for the calendar year 1929, a drop of about $5,000,000 which was certain to be reflected in a reduction in revenue collected through the avenue of the customs, because of the reduction in the earning power of the fishermen during that period. In addition, over-production throughout the world had caused prices on goods and commodities to decline more than 30 per cent and as the Newfoundland tariff is placed on goods on an ad valorem basis, the result was a considerable reduction in duty because of the decline in the price of commodities abroad. Other branches of industry were likewise depressed and contributed to the reduction in revenue.

Expenditures Show Rise

On the other hand expenditures are likely to show an increase of about $500,000 above the estimate of $11,895,100, because a considerable number of people have had to be provided for through the treasury.

Revising, then, the estimates of revenue for the year to June 30, 1931, provision must be made for expenditures of $11,895,100 out of revenues estimated at $9,920,500 leaving a probable deficit of $1,974,600.

Facing frankly the situation regarding the immediate future, Mr. Cashin estimates also a deficit for the year to June 30, 1932. Revenues are conservatively estimated at $10,010,391, and after allowing for a reduction in all estimates including salaries and other expenditures, estimated expenditures for the year to June 30, 1932, amount to $10,865,346 which would leave an estimated deficit of $854,955.

Higher Thrift Shown

Mr. Cashin pointed out that while the picture he had painted may have been somewhat gloomy it should not be forgotten that at December 31 last, the people of Newfoundland had deposited to their credit in the various banking institutions in the country $26,233,817 as compared with $26,246,004 at December 31, 1929. While there was a slight decline of about $12,000 in savings accounts, the amount of life insurance carried by the people of the colony had increased by $4,000,000.

Public debt of Newfoundland is high, but of course there are no state or municipal debts to be added. Public debt at June 30, 1930, was $82,593,106. In addition a loan of $5,000,000 had been raised during the current year, and as there are impending deficits not only on current accounts, but on railways it is likely that June 30, 1931, will see the national debt of Newfoundland at about $90,000,000.

It is interesting to make a survey of the causes of the public debt. Approximately $45,000,000, as we have seen, is on account of the railway, while another $35,000,000 represents expenditure on account of the Great War, including gratuities to returned soldiers and sailors, plus pensions. Therefore the cost of the railway plus the cost of carrying out Newfoundland's obligations in connection with the war amounts to about $80,000,000. Since a portion of this expenditure on account of the war was met out of current revenues it may fairly be stated that were it not for the war, which involved the Dominion in heavy expenditures and forced the taking over the railroad, the debt of Newfoundland today might be only $20,000,000.

Loan This Year

Newfoundland will have some borrowing to do this year, and authority has been given to the Government to issue a new loan of $7,000,000. The island's recent call for tenders for $8,000,000 of bonds (the extra $1,000,000 being required by St. John's city) met with unsatisfactory response and other negotiations will be carried on to raise the money.

"The financial condition of Newfoundland is not in a state of serious depression, but, on the other hand, is excellent in comparison with that of other countries affected by the present period of economic stress." Sir Richard Squires, prime minister, said in an interview this week.

A large part of the necessary economic superstructure of the Dominion in the form of railways, roads and bridges, docks, telegraphs, public buildings, etc., have already been provided and the citizens of Newfoundland feel that these expenditures have been necessary if the colony is to take advantage of the immense natural resources it undoubtedly has and to turn them into sources of jobs and incomes. To carry out this policy it has been necessary to spend heavily to create future earning power, and there is good prospect that the developments in mining, pulp and paper, and a possible improvement in the fishery industry will begin to bear fruit. The growing tourist traffic and the location of the Dominion at the navigational crossroads of the Atlantic promise to provide Newfoundland with revenues which will help it to carry the large burden of debt it has assumed in the interest of development.

Purposes of Loan

The $7,000,000 loan which the Government plans to raise is for the following purposes:

Repayment of the temporary war loan from Great Britain	$2,000,000
Repayment of a temporary loan from the Bank of Montreal	1,000,000
Deficit on general accounts for the fiscal year ending June 30, 1931	2,000,000
Deficit on railway accounts	750,000
For general purposes in the colony including the cost of raising the loan.	1,250,000
Total	$7,000,000

PAPER MILLS SET NEW PEAK IN PRODUCTION

(Continued from page 15)

over complete ownership of the property, subject to the mortgage bonds outstanding on which the guarantees of the British and Newfoundland governments still exist. The International Power and Paper proceeds to make changes in the mill and to put it into production on the highest possible basis.

Power From Own Plant

The mill is rather modern, having begun operations only in 1925. It receives its power from a wholly-owned Deer Lake hydro-electric plant, generating 156,000 continuous horsepower, and the pulpwood comes from timberland reserves on the island, consisting of more than 3,000 square miles and with an estimated stand of nearly seven million cords of pulpwood.

The mill is complete as a newsprint producing entity having its own groundwood and sulphite departments. The utmost economy in operation is possible because the wood enters the mill at one end and leaves in the form of newsprint at the other end, where it is loaded directly on to ships owned by the company, and sailing to New York and Atlantic seaboard points. The company owns two modern oil burning steel vessels of 5,000 tons capacity each which were specially designed for carrying rolls of newsprint paper. It is estimated that the cost of carrying wood from Corner Brook to New York is about $3 per ton less than the railway freight cost from Quebec or Ontario mills to New York, and on the daily production of over 500 tons of this mill, this represents a clear advantage of about $1,500 a day or $4,500.000 a year to this mill.

Operating Efficiency Improves

The annual report of the International Power and Paper Company of Newfoundland for the year 1930 reveals the fact that the operating efficiency of the Corner Brook continued to improve throughout the year. The output for the year from the four newsprint machines averaged 515 tons a day, as compared to 483 tons in 1929, and 438 tons in 1928. The output from these machines in the month of February was further increased to an average of 546 tons a day. The steady increases in output have been accompanied by material reductions in operating costs. In addition to these increases on the four newsprint machines, another machine which had been installed for the manufacture of wrapping paper but which had later been adapted to the manufacture of newsprint, had shown such improvement that the 1930 daily average output was 540 tons a day of newsprint paper, and in February had reached a total for the whole mills of 593 tons a day.

During 1930 the company increased its hydro-electric installation at Deer Lake by 58,000 horsepower, bring the total installed capacity up to 156,000 horsepower. Installation of the additional 58,000 horsepower was made at the exceptionally low capital cost of $28.15 a horsepower and this resulted in a substantial increase in the company's earning power. The additional capacity made possible, not only the substantial elimination of the fuel bill at Corner Brook, but additional revenues. The company's own hydro-electric plant now supplies sufficient current not only for power, but also for the generation through the use of electric boilers of practically all the steam requirements of the mill, and making the use of coal for steam supply practically unnecessary. In addition some 6,000 horsepower was sold to the Buchans Mining Company. A 66,000 volt transmission line, 48 miles long was erected between the Deer Lake plant and the Red Lake Mining area where the Buchans Mining Company is operating, and power delivery will begin on June 1, 1931.

Gander River Project

In addition to having these two mills in operation there are possibilities that Newfoundland will have additional newsprint paper mills in days to come. Much attention has been paid during the past few years to a project originally developed by the Reid-Newfoundland Company to erect a 1,000 tons a day newsprint mill at Gander Valley. The Reid's later interested various other groups including the Hearst's, Canada Power and Paper Corporation and a promoter by the name of A. S. Butler. The latter put additional capital into the enterprise. This project would have involved the expenditure of about $65,000,000. The company endeavored to get from the Government of Newfoundland authority to divert water from Gander Lake and to erect a large hydro-electric plant. The Newfoundland Railway Company was asked to build a spur line. The Government was asked to guarantee a certain amount of the debentures, and in addition to give the company very large concessions, not only for wood on the Island of Newfoundland, concessions that would have utilized probably two-thirds of the balance of the available wood on the island, but concessions for future wood cutting in Labrador. The Newfoundland Government was not satisfied with the terms upon which the enterprise was to be built, and beyond entering into negotiations with the promoters, it refused to carry the project further.

The Canada Power and Paper Corporation has a substantial stake in this enterprise. It has acquired stock in a company known as the Dominion Newsprint Company, which was owned chiefly by the Hearst interests of New York, and which was formed to take over the whole promotion.

The enterprise was jeopardized not only by the refusal of the Government to go ahead on the plans submitted, but by action taken by the Government against certain of the companies which controlled the crown licenses for alleged failure to carry out the terms of their lease.

Prospects Not Bright

At the moment the possibilities of the enterprise going ahead are very slight. The Newfoundland Government has consistently refused to support the enterprise on the terms outlined, the Reid's are believed to be largely out of the enterprise due to the current financial stress, Canada Power and Paper Corporation may be having too much trouble marketing newsprint from their Canadian mills to wish to push any enterprise in Newfoundland at the present time. A number of lawsuits are pending by the promoters against the Government.

There is no doubt that another newsprint enterprise to Newfoundland would help to bring enormous prosperity to the island. At the same time it would have the effect of further disrupting the newsprint market, and it would not be a favorable thing for newsprint producers as a whole. The enterprise is likely to come to life at some later time, but whether it will do so under the aegis of the present promoters, is a matter that is to be determined in the future. In the meantime there is a possibility that the promoters and the Government will come to some agreement which would provide for calling off the various lawsuits for sustaining in force the timber rights granted to the promoters. and providing for the construction of the mill at a later date, when the newsprint market is capable of absorbing additional supplies.

Sees Big Newsprint Future

In any event Newfoundland looks forward to playing an increasing part in the production of newsprint paper, not only for American newspaper publishers, but for British publishers. While the amount of pulpwood still available on the island of Newfoundland is not large enough to do much more than double the present capacity of the mills, there is every likelihood that additional newsprint mills will be built in the future to utilize pulpwood from Labrador. There is an enormous and as yet not accurately estimated amount of pulpwood timber in Labrador, This could be brought to Newfoundland at low cost by steamships converted into newsprint paper at Tidewater Point, and shipped inexpensively across the ocean or sold to the United States. It is likely that the first development of Labrador pulpwood will be in connection with the development of new newsprint mills in Newfoundland or the enlargement of some of the existing ones. The fact that a considerable quantity of water power is still available in Newfoundland and has not yet been harnessed is a factor that makes this practically certain.

Unfortunately present conditions in the newsprint market do not offer hope of immediate early development of additional pulp and paper mills on the island.

Investment Service in Newfoundland

Our St. John's office makes available to Newfoundland investors the facilities of an extensive and unusually well equipped organization, which is in a position to supply information, quotations and advice on all types of investment securities.

Enquiries Invited

Royal Securities Corporation
Limited
Board of Trade Building, St. John's, Nfld.

Montreal, Toronto, Halifax, Saint John, Quebec, Ottawa, Winnipeg, Vancouver, Charlottetown, Hamilton, Calgary, Edmonton, Regina, Victoria, New York, London, Eng.

COWAN & REID LTD.
136 Water Street
ST. JOHN'S
Newfoundland

STOCKS & BONDS

Orders Executed On All Exchanges

Newfoundland
The Sportsman's Paradise
For Your Vacation

Wonderful Fishing
Salmon and Trout
June to September
Deep Sea Fishing

Camping - Shooting
Cool and Invigorating
Climate
Golf, Motoring

A Country Famous for its Hospitality, Sporting Attractions and Historic Associations

THE WORLD'S NEW PLAYGROUND

The following Steamship Companies maintain a direct service to St. John's, Newfoundland, with first class passenger steamers:

From NEW YORK — The Furness Red Cross Line.
From BOSTON — The Furness Withy & Co. Ltd.
The Farquhar Steamships Co.
From HALIFAX — The Furness Red Cross Line.
The Furness Withy & Co. Ltd.
The Farquhar Steamships Co.
From MONTREAL — The Clarke Steamship Co., a weekly service to Corner Brook, situated on the West Coast at the mouth of the famous Humber River.
From MONTREAL — The Furness Red Cross Line, S.S. Silvia operating a 12 day schedule from Montreal to St. John's.

For the information of those who may prefer a land journey: North Sydney, Cape Breton, is the connecting point in Canada for Newfoundland and it can be reached with ease from any part of North America. A seven hour passage across Cabot Strait on S.S. "Caribou" connects the visitor with the **Newfoundland Railway Express Train** at Port aux Basques.

Information cheerfully furnished by

Newfoundland Tourist and Publicity Commission
St. John's, Newfoundland
or
Newfoundland Information Bureau
Room 53, Journal Building, 262 Washington Street, Boston, Mass.

STEADY GROWTH MARKS PROGRESS LIGHT, POWER CO.

Newfoundland L. & P. Co. Now Controlled by Inter. Power Co.

HAS 30-YEAR RECORD

Population Served Now Over 40,000—Important Contract Signed in 1930

Newfoundland Light and Power Co. Ltd., incorporated in 1924 and controlled by International Power Co. Ltd., owns and operates the electric lighting, power and tramway services of St. John's, serving a population of approximately 40,000. The company was originally established 30 years ago as the St. John's Light and Power Co. Ltd.

Growth has been steady and consistent since incorporation, the operations of the company reaching a peak in 1930 when gross earnings for the year ended December 31 amounted to $503,882, and the number of light and power customers was 7,126. These figures compare with $483,745 and 6,784 for the preceding year, showing a satisfactory increase.

New Contract Signed

Sale of power has been largely increased through deliveries as from January, 1931, to Dominion Steel and Coal Corporation, Ltd. (for the operation of its Bell Island iron mines, under a contract extending to June 30, 1934. This contract calls for delivery of increasing amounts up to 4,700 h.p. of primary power and such surplus power as the company may have available. Power is transmitted to Bell Island through three and three-quarter miles of duplicate submarine cable, the laying of which was completed by the company in December, 1930.

Power is derived from the company's own water power development situated at Petty Harbor about eight miles from St. John's and by purchase from the United Towns Electric Co. Ltd. The installed capacity of the Petty Harbor plant is 7,000 h.p., while the company has under construction at Pierre's Brook, about 18 miles south of the capital, a new hydro-electric development with a proposed installation of 5,000 h.p. which is expected to be completed and in operation by July in the present year. This additional capacity will be sufficient for all the company's purposes for many years to come.

The company operates under a perpetual franchise subject only to the right of the city of St. John's to purchase the undertaking as a going concern after 1946.

Earnings Statement

While the company publishes no balance sheet, or income and surplus account, the record of earnings as published in April, 1931, upon the flotation of a $850,000 5½ per cent first mortgage bond issue, were stated to be as follows:

	Light & Power Customers	Gross Earnings
1924	4,788	$353,329
1925	4,986	367,144
1926	5,588	414,518
1927	6,051	436,175
1928	6,460	456,919
1929	6,784	483,745
1930	7,126	503,882

Net earnings, after deduction of operating expenses, income tax and maintenance charges, and available for bond interest and depreciation, for the past three calendar years have been: 1928, $281,389; 1929, $272,915; and 1930, $300,911. The annual interest charges on all the first mortgage bond issue, were stated to be as follows:

Power Rates Reduced

Rate reductions were announced by the company with effect from February 1, 1931. Domestic rate charges are now 5½ cents for the first 50 kw.h. as opposed to the former rate of 10 cents per kw.h. up to 30 kw.h. The next 150 kw.h. will be supplied at 3½ cents, and thereafter at 2½ cents. The minimum rate of $1 remained unchanged.

Commercial lighting service charge is $30 per kw. per annum of maximum yearly demand for the first 10 kw. of the maximum yearly demand. For the next 10 kw. the charge is $36 and $24 per kw. a year for the maximum yearly demand for the balance. Energy charges are 4½ cents a kw.h. for the first 500 kw.; over this the rate is 3 cents per kw.h.

These reductions represent the third decrease since the present company took over in 1924.

The officers of the company include I. W. Killam, Montreal, president; Fred C. Clarke, secretary, and J. W. Kent, assistant-secretary. The directors, in addition to I. W. Killam, are Sir Marmaduke Winter, C. A. C. Bruce, Maj. Leonard C. Outerbridge, and Charles C. Hunt, all of St. John's.

BIG POWER DEAL LINKS BELLE ISLE BY TWIN CABLE

Dom. Steel Signs Contract With Newfoundland L. & P. Co.

The largest individual contract of electric power ever made by the Newfoundland Light and Power Co. Ltd., and only slightly below a similar purchase made by the Buchans Mining Company from International Power and Paper Company last year, was made in July 1930 when a contract was signed by Dominion Steel and Coal Corp. for delivery by cable to Bell Island of a maximum of 5,000 h.p., the initial delivery, 2,000 horsepower, being called for by January, 1931.

To cater to this new demand a new hydro-electric plant of 5,000 h.p. is now being completed at Pierre's Brook, Witless Bay, by the Newfoundland Light and Power Co.

The Pierre's Brook plant consists of a concrete main dam and storage dam on Gull Pond with an additional storage dam on Big Country Pond. The outlet from the power dam is about 7,000 feet from the concrete power station which is situated below the railway bridge at Lower Pond. Water will be conducted from dam to turbine by a 6,000-feet penstock of wood stave and 1,000 feet of steel pipe line about 6 feet in diameter, approximately a mile and a half altogether.

The development requires three dams besides the main dam. When the main dam is closed it will raise the height of the pond 20 feet and provide about 5,000,000 square feet of additional water area.

The electrical installation calls for the installation of a single unit turbine-generator of 5,000 h.p., with semi-automatic control, which delivers power at 33,000 volts (33 kw.) to the main bus at Petty Harbor. The new development parallels the Petty Harbor development and from thence there are two independent transmission lines to the Broad Cove transformer station.

Twin Cables to Island

At Broad Cove the voltage is stepped down to 13,000 volts and is transmitted from there to the Island by means of two submarine cables, of 4 miles in length each, which land at the Dominion Pier, where the voltage is again stepped down to 6,600 and inter-connected to the plant bus bars at the pier. The cables are of the three-phase, steel protected type, of 3½ inches in diameter and each weighs approximately 100 tons.

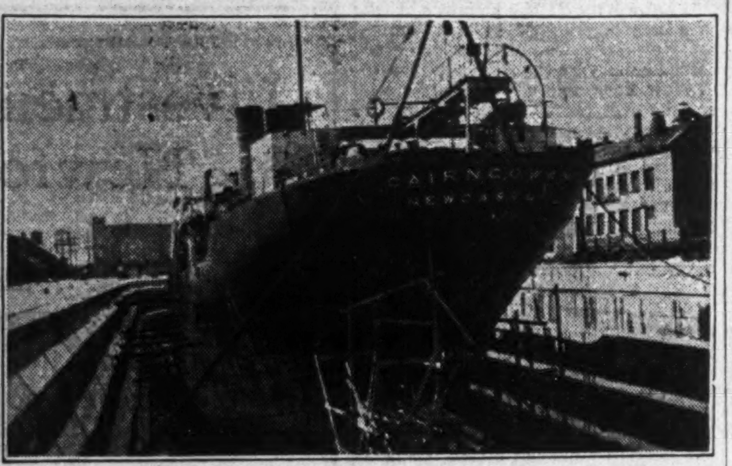
Laying these two cables was successfully accomplished in November last after three days of storm had prevented operations. The cables were laid by the Western Union cable-ship "Cyrus Field."

Laying The Cables

The cable was first paid out over the sheave at the bow of the ship. A four-inch manila rope was tied to the cable, one end of the rope being taken ashore at Broad Cove, and the other end tied to the cable. Barrels to act as buoys were attached to the cable every 20 feet approximately. The shore end of the rope was attached to a caterpillar tractor which pulled the cable inshore as the ship payed it out. As it was payed out barrel after barrel dropped into the water acting as buoys.

Six hours and forty-five minutes were required for the whole undertaking from the landing the cable at Broad Cove until the other end was ashore on Bell Island. Laying the second cable was merely a duplication of the first process.

Dry Dock Part of Railway Property



The drydock at St. John's is owned and operated as part of the Newfoundland Railway.

Newfoundland Railway Has Interesting History Over Third of Century

First Train Ran from Port Aux Basques to St. John's in 1898

BACKBONE OF ISLAND

Length of Route Covered is 547 Miles While Total Mileage is Over 900 Miles

Active in the development of the British Empire's oldest colony has been the Newfoundland Railway, which has elsewhere been appropriately termed the "backbone" of the island.

The description is doubly apt, as a glance at a map will show. Like the great artery of a curled leaf it traces its curved course through the breadth of the country from Port-aux-Basques on Cabot Strait, north-easterly to Corner Brook, (where the big newsprint mill and hydro-electric development of the International Paper Co. is situated), then westerly to Bishop's Falls and Notre Dame Junction, from whence it trails down, completing the arc into the Peninsula of Avalon, the most thickly settled section of Newfoundland, to St. John's.

This route covers a distance of some 547 miles, while branches and spurs bring the total mileage covered by the system up to approximately 907.

Still Needs Subsidy

Operated by the Newfoundland Government, the present management took over the line in 1923. While it has never operated at a profit since the first train ran over the line from Port-aux-Basques to St. John's in 1898, the deficit for the fiscal year ended June 30, 1930, was with the exception of two years the lowest the railway has shown since it was taken over.

As in the case of all pioneer transportation systems the railway has had a chequered career and has had to meet what have appeared to be insuperable difficulties. Of recent years, much rehabilitation work has been done, and from now on capital expenditures should be much reduced and the line will be capable of giving a far more satisfactory and comfortable service as well as assisting to a greater extent than ever before in the development of the country.

Recent additions to motive power show 50 per cent greater efficiency than formerly. The cost per ton for moving freight last year was the lowest since the war, while the cost per mile was the lowest since 1923.

Looking Back 25 Years

"Any review of the Newfoundland Railway," said the St. John's Daily News recently, "would be incomplete without a comparison of travelling conditions today with what they were twenty-five years ago."

"Trains were rarely on time to schedule. It usually took thirty hours to make the cross-country trip to Port aux Basques, and in winter there was no telling in what time it would be accomplished. Snow blockades occurred every winter and often lasted for a month or more.

"Many Newfoundlanders have vivid recollections about 1905 of dog teams coming from Bay of Islands to Clarenville, the whole railway of the centre of the island being smothered in snow. Equipment was inefficient, and the sight of trains failing to make a grade, backing up and 'making a run' for the hill was not unknown to those who travelled in those days.

"Compare the above picture with conditions as they are now. Nowadays one may leave St. John's by the recently innovated Overland Express at 10 a.m. on a Saturday and step off at Port aux Basques at 10 a.m., in time for morning church, on Sunday.

"It may be admitted that a pioneer railway could not be expected to cater to a traffic that did not exist. Its whole traffic then was destined, after Conception Bay points were left, for steamship terminii at Shoal Harbor, Clode Sound, Burnt Bay and Riverhead Bay of Islands, which may be recognized by their modern counterparts—Clarenville, Port Blandford, Lewisport and Humbermouth. Of traffic in 'the interior,' as it is still often known among coast peoples, there was little. Gambo was a semi-seaport and inland town. Glenwood and Millertown were then the only real inland settlements of any importance, and both these were lumbering settlements with a large winter floating population. Neither had roads, schools were but elementary, and houses of the emergency 'slap up' type.

Pioneer of Industry

"It must be remembered that the railway is the great pioneer of the big industrial plants that today are forming the whole backbone of the industrial life of the country—praise the codfish how you will. The rough and ready life of Glenwood and Millertown has given place to the hustling towns of Grand Falls, Badger, Millertown, Buchans, Howley, Deer Lake, Corner Brook. 'The interior' is no longer behind the coast towns, but leads them.

"Drop off at Grand Falls and see its fleet of motor cars waiting at the station. Ride into the town and see the hospital, the modernly equipped paper mill, the fine brick town hall and staff house, the well stocked stores. Visit the model farm where the town's milk supply is produced in a way that sets a lesson to St. John's. See Badger and drive over its roads, watch its caterpillar tractors at work moving logs, or view some of the forestation work that has been done along the road to Hall's Bay, where the bull moose often disputes the road with the motor truck.

"Go through to Millertown and, turning back your memory, compare the Millertown of today with the old settlement on the flats. Ride one of its gasoline cars over the logging railway to the great dam that stands sentinel at the source of the Exploits river, or travel on miles farther to where men in logging camps telephone their needs to Grand Falls.

"Stop off at Howley and investigate the marvellous 'navy' of tugs and motor boats that fetch logs from away up country for the insatiable maw of Corner Brook pulp grinders. Here, too, you will find everything modern, altogether different from the days of a quarter of a century ago. Go on to Deer Lake. You will no longer find the tiny settlement of three or four houses at Grand Pond: that territory is submerged. But you will pass over a fine concrete dam that has turned Junction Brook into a dry, stony valley and made possible the great electric generating plant at Deer Lake that will amaze you by its power and magnitude. See the town steadily growing northward. Again hospitals, electricity, conveniences everywhere. Carry on to Corner Brook and let your mind leap back when your recollection was a rough board saw mill and a boom of saw logs as the outstanding point of Corner Brook—and visit this town today!

Far-sightedness

"What made all this possible? Nothing but the railroad. Whether Sir William Whiteway had any ideas of such growth in the back of his mind, at least he saw further than those short-sighted people of the moment who asked, in the words of one business man, 'What do we want with a railroad? Better build roads around the coast.'

"Its reception was not more cordial when the railway came near destroying its own child by its careless indifference to the incipient forest fires which its locomotives caused, many of which passed beyond the incipient stage and ruined large tracts of timber.

"But despite it all, to the railway alone Newfoundland owes the fact that it is steadily emerging from the isolated settlements that once composed it into a more homogeneous whole with a more forward and progressive outlook. It is because of this fact that the railway is regarded as the backbone of Newfoundland."

Colony Decides Against Census

There will be no census in Newfoundland this year.

In common with Canada and other Empire countries, plans had originally been laid to make the regular decennial census some time this year. No reason is given for the decision not to go ahead with these plans beyond the statement of the minister of finance in the legislature on May 8 that the government had abandoned the idea of taking a census during 1931. The previous census was 1921 although an inter-decennial census of agriculture was taken in 1926.

Boot and Shoe Plant Established in 1875

Newfoundland Boot & Shoe Manufacturing Co., Ltd., was established in 1875 and today employs 110 hands, turning out approximately 300 pairs of boots and shoes a day.

The company's products, under the brand names of "Monarch" and "Avalon," are known all over the Island.

BUSINESS DECLINE SEEN IN RESULTS OF NFLD. RAILWAY

Government-Owned System in Constant Need of Funds

The operations of the Newfoundland railway during the past year, in common with the transportation systems of Canada and the United States, have reflected the industrial and financial depression generally prevailing, through decreased passenger travel and freight shipments. Notwithstanding this, the net result of operations for the fiscal year was the best in the last five years.

The Newfoundland Government's report includes comparative revenue and expenditure accounts for the years 1928-1929 and 1929-1930, as at June 30, as follows:

Newfoundland Railway Revenue & Expenditure

Earnings:	1928-29 $	1929-30 $
Passenger	670,292	642,742
Freight	934,654	1,156,666
Express	176,700	192,608
Misc.	177,526	180,528
Steamers	1,014,468	1,115,139
Total earnings	3,396,676	3,714,606
Dockyards	424,036	426,923
Expenditure		
Operation	1,122,567	1,200,705
Maintce., way & str.	645,758	673,816
Maintce. equipt.	468,409	528,096
General	279,483	289,318
Steamer	885,276	1,025,465
Dockyards	382,800	277,700
Total expenses	3,784,293	4,095,100
Net loss	387,617	380,494
Summary		
Loss on rly. operations	558,046	519,391
Profit on steamers	129,192	89,674
Profit on dockyards	41,236	49,223

During the year ending June 30, 1930, there was charged to capital expenditure the sum of $1,064,725 for construction work including the diversion of the railway at Diamond Long Pond, additions to rolling stock and improvements and additions to properties. Of the total $892,084 was spent on re-railing various portions of the system, and $21,000 on reconditioning S.S. "Susu."

The balance sheet of operation account as at June 30, 1930, showed total assets of $1,403,041 against total liabilities of $1,783,535, leaving a loss on operations of $380,494 which is charged to the Newfoundland Government. These figures make no allowance for bad debts or unforeseen charges for the fiscal year.

For the five months ending November 30, 1930, the net loss on operations was $91,196. Heavy expenses were incurred in this period owing to the stranding of the S.S. "Caribou" on August 10. The four branch railways of the Colony showed a loss of $168,707 in addition to that of the main system as shown above.

During the fiscal year 1929-1930 the number of miles run by all trains aggregated well over a million miles. The cost of operation was $2.24 per mile as against $2.30 for the previous year, and the revenue per mile run was $1.81 as against $1.79 for the previous year. The number of passengers carried numbered 220,562 compared with 222,265 for 1828-1929. The total number of employees throughout the railway system was 2,658, who were paid salaries totalling $2,476,107. Coal used during the year for the operation of the entire system amounted to 75,711 tons.

The freight revenue of $1,156,665 exceeded any previous year in the history of the railway and the cost per ton was the lowest since the war. During the same period 8,100 tons of paper were moved from Grand Falls to Heart's Content, and 7,710 tons from Corner Brook to Port-aux-Basques.

The railway system, steamers and docks represent $45,500,000 capital expenditure. Interest on this amount at 5 per cent aggregates $2,275,000 annually; subsidies paid by the government for the carrying of mails, etc., amount to $460,000. If to this be added a deficit, as for the year 1929-1930 of, say, $380,000, the total cost of the transportation systems of the Colony to taxpayers is found to be, in round figures, $3,175,000 annually.

Advances Made by Govt. to Newfoundland Railway

	Operation Account $	Capital Account $	Total $
1920-21	1,773,192	1,024,616	3,285,000
1921-22	1,249,993	......	1,485,074
1922-23	814,345	100,819	1,006,560
1923-24	200,000	203,460	493,816
1924-25	290,000	311,774	730,739
1925-26	630,000	217,973	......
		1,246,345	2,094,319
1927-28	365,000	975,000	1,340,070
1927-28	617,675	385,186	1,002,862
1928-29	387,617	1,348,191	1,735,808
1929-30	380,494	1,064,722	1,446,216

Dom. Atlantic Insurance is Profitable Concern

Annual report of the Dominion Atlantic Insurance Co. for the fiscal year ended March 31, 1931, showed a net porfit for the year of $11,642, after $9,000 had been applied to reserve accounts. The total amount of the company's investments at that date amounted to $211,468, while the balance sheet showed a surplus after reserves, but before current dividends, of $16,910. Total assets were $236,428.

The company is controlled in St. John's and its board of directors numbers many of the leading business men of that city. Marine and fire risks are carried.

A dividend of 10 per cent was paid on the capital of the company.

Automobile Population Now Reaches 2,500

Passenger cars registered in Newfoundland in 1930 numbered 2,500, represented by 67 different makes, which exceeded the number for 1929 by 402 registrations.

The makes most largely represented were Chevrolet, of which 552 were registered, and Ford with 435. There were also 172 Chryslers, 161 Buicks, 137 Dodges, and 120 Whippets, while below the 100 and above the 50 mark were Studebaker, Nash, Essex and Plymouth in the order named.

Commercial vehicle registrations totalled 516, of which 128 were new registrations, Ford and Chevrolet being the most largely represented of 37 makes.

Newfoundland Airways Operates from St. John's

Newfoundland Airways has its headquarters at St. John's, and is operated by M. S. Sullivan & Son. This company undertakes all kinds of flying commissions, including passenger flights, advertising, photography and surveys. The equipment consists of a Gypsy-Moth plane, and the chief pilot is A. D. Sullivan, who received his training at Stag's Lane Aerodrome, London, England.

During the past winter the company received a subsidy from the Postal Department of $150 a trip for half a dozen trips carrying air mail from St. John's to Anthony and intermediate points.

Seal Has Four Destinies Despite His Inclinations

New Process Makes Possible Real Seal Fur Coat at Reasonable Price—Golden Brown in Color

The uses to which the famous seal pelts of Newfoundland are put is aptly described by an unnamed citizen of the Dominion who describes in the following delightful way the destinies of these slippery creatures.

"In the good old days a Newfoundland seal had three possible destinies; he could (a) remain seal; (b) become seal oil; (c) become seal leather. Now he has four choices: (a) seal; (b) oil; (c) leather; (d) fur.

"Although the seal's private inclination may be to remain seal, I think after you have seen the wonderful fur purchased by the Queen of England at the British Industries Fair you will feel he is a little selfish.

"This new and important use for seal pelts is the result of a new process by which, after the inch-thick layer of fat underneath the hair is removed, the skin is split. It is this splitting which makes it possible to use the skins for fur. This means that a perfectly real fur coat, and a very beautiful one, will now be well within the reach of those of us who were forced to be content with the obliging rabbit.

"On March 8 or 9 every year, about twelve big ships, with a crew of about 250 men each, set forth for the seal patches. The seal's 'Twelfth of August' is March 13, up to which date they may preen their own fur coats in safety.

"This date is chosen because the sealer wants the first white coat of hair before the seal begins to shed, which he does at the age of about two months, growing a darker coat, with marks on it which, by some stretch of the imagination, may be described as harp-like. They are then called harp seals.

"The first is called 'fast fur,' and experiments are being made by which it is hoped to dye it any color—at present the golden brown color of the furs taken by the Queen is the most successful.

"The fleet is usually back by the middle of April with about 200,000 pelts, averaging about 66 pelts per man. These are first subjected to a process by which the thick layer of fat is taken off by skinning machines, and rendered into oil, which may ultimately be consumed by us as margarine!

"The pelts are then sent to England, formerly to be tanned into leather (I noticed some handsome red seal leather telephone book covers on the Newfoundland High Commissioner's desk), but now, after being well washed and preserved in salt, they are sent over for this new treatment, resulting in the very beautiful golden brown set of fur collar and cuffs bought by the Queen at the British Industries Fair.

"One word more. As any visitor to the Zoo knows, the seal consumes fish with a rapidity only equalled by his grace, and women may comfort themselves with the reflection that a seal fur coat has saved the lives and liberties of innumerable innocent fish."

MANY INSURANCE COS. REPRESENTED IN NEWFOUNDLAND

Life Insurance in Force in Dominion Nears $50,000,000

That life insurance is making steady headway in Newfoundland is apparent from the consistent increase in premiums paid and total insurance in force over the past several years. Figures given by Hon. P. J. Cashin, minister of finance and customs, in the budget speech presented in April last show that $1,540,836 was paid by Newfoundlanders in premiums in 1929 (latest data available), exceeding the amount so paid in the previous year by over $134,000. The total insurance in force at December 31, 1929, was $48,412,142 as against $44,360,771 at the end of 1928.

The following table gives comparative figures for the past four years. It is pointed out that official insurance returns being always one year in arrears, figures for 1930 are not yet available.

NEWFOUNDLAND COMPANIES

	1928	1929
Premiums paid	$1,406,345	$1,540,836
New ins. issued	10,951,471	7,468,833
No. of pols.	(4,181)	(4,097)
Total in force at Dec. 31.	44,360,771	48,412,142
Secs. at bank to meet res.	6,630,772	6,875,248

The complete list of life insurance companies represented and operating in Newfoundland, and the names of the local managers is as follows:

Canada Life Assurance—C. H. C. Bruce.

Confederation Life—Ernest Fox.

Crown Life—C. J. Cahill.

Dominion Life—C. C. Pratt.

Imperial Life—G. F. Kearney.

Manufacturers Life—Hon. S. Foot.

Maritime Life—W. G. Pippy.

Montreal Life—A. E. Hickman & Co.

Mutual Life—H. H. Pike.

North American Life — Robert Peel.

Ontario-Equitable—Thos. Soper.

Sun Life—D. Johnston.

SEVEN CALLS PER CAPITA

St. John's has one telephone for every seven people. During the year 1930 over 16,000,000 calls were made by the St. John's Exchange of the Avalon telephone system.

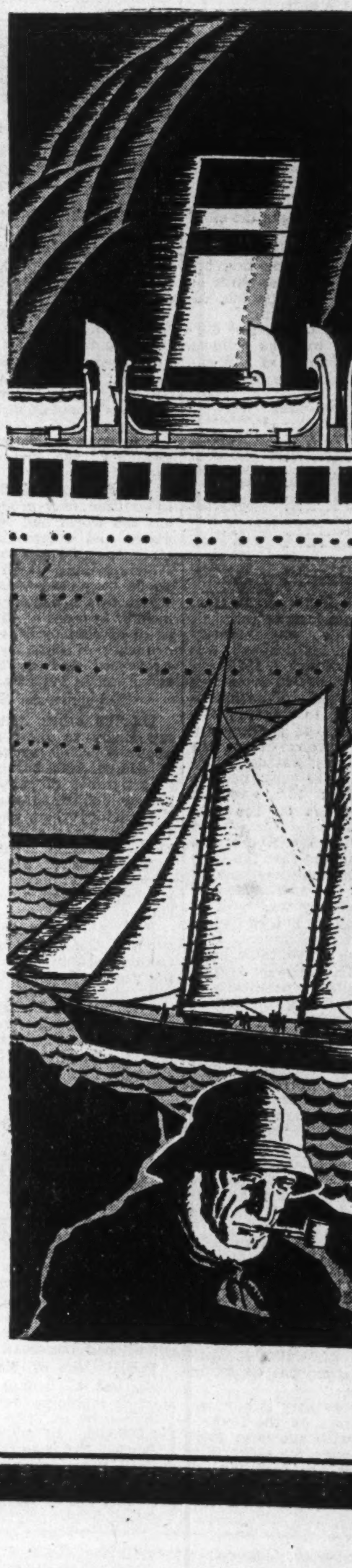
Lawrence Brothers, Limited
Carriage and Sleigh Builders
Automobiles Painted and Hoods Recovered
Embalming and Funeral Directing attended to.
Manufacturers Trunks and Suit Cases
Telephones: Factory, 705; Night and Homes, 806W
149 Gower St. St. John's, Nfld.

FURNESS
VACATION CRUISES to NOVA SCOTIA and NEWFOUNDLAND

from BOSTON
16 Day Cruises
$140 up
Including All Expenses

Semi-monthly sailings via oil-burning liners R.M.S. "NEWFOUNDLAND" and R.M.S. "NOVA SCOTIA," with interesting stopovers at Halifax, Nova Scotia, and St. John's, Newfoundland. Tours may be arranged for 6 or 7 days' duration. For reservations and literature address

FURNESS Line
Furness Withy & Co., Ltd.
10 State Street
Boston, Mass.
or
Any Authorized Tourist Agent



from NEW YORK
12 Day Cruises
$130 up
Using Ship as Hotel in Halifax and St. John's

8 days at sea, 2 days at Halifax, Nova Scotia, and 2 days at St. John's, Newfoundland, using ship as your hotel. Sailings every Saturday from New York on S. S. "FORT ST. GEORGE" and S. S. "NERISSA". No passports required.

from MONTREAL
12 Day Round Trip
$100 up

Under "Furness" operation, the S. S. "ROSALIND" offers a most enjoyable trip to the famous vacation lands of Newfoundland. Sailings every other Friday from Montreal to St. John's, with part of a day stopover at Charlottetown, Prince Edward Island.

"Furness" connections at St. John's for Halifax, Boston, New York.

FURNESS
Red Cross Line
34 Whitehall St.
(Where Broadway begins)
or
565 Fifth Ave., New York

SEAL SEARCH DISAPPOINTING IN MANY WAYS

Expedition of March, 1931, Loses Ship and Gets Poor Catch

PROSPECTS DECLINING

Fear Grows That Modern Methods Gradually Cause Disappearance of Valuable Animal

Final returns of the ill-fated Newfoundland sealing fleet which sailed March 9, 1931, reveal one of the most unsatisfactory catches for many years. The figures are especially disheartening when compared with those of the 1930 catch which was the best since 1916. A year ago the total net value of the catch to fishermen was $405,809 while this year's value shrunk to $121,115. The total number of seals taken showed an almost equally heavy shrinkage standing at 87,866 as against 241,236 the previous year.

No record of the 1931 sealing would be complete without reference to the explosion which occurred about a week after the fleet sailed. Here is the official log of the voyage according to L. G. Chafe, compiler of the report of the sealing fleet:

"It is our sad duty to record an explosion that occurred on board the S.S. Viking at 9 p.m. Sunday night, March 15, about eight miles east of the Horse Islands, White Bay. The steamer caught fire and sank. Twenty-four of the 147 persons on board lost their lives, including two talking picture men of the U.S.A., and Captain William Kennedy, navigator, who died on his way home from hardships endured before being rescued, and his companion, wireless operator King, who had both legs amputated at the General Hospital."

Fewer Ships Sailed

Not only did fewer ships constitute the hunt than in 1930 but also value of seals was considerably lower. A year ago, eleven steamers and six auxiliary schooners (one of which made a second trip) appear in the final returns for the year. This year, however, the report shows that only eight steamers and two schooners brought their catch back to port although actually nine steamers and four schooners started out. As recorded above one steamer caught fire and sank while one of the schooners foundered and another after spending two weeks cruising Green and White Bays returned with only two seals.

As to prices, comparative figures reveal on the basis of prices per hundredweight that "young harps" and "young hoods" which last year brought $5 this year paid only $3.50. "Bedlamers" brought only $3 per cwt. as against $4 a year ago, while old harps and hoods are quoted at $2.50 as against $3.50 last year.

Ice conditions were exceedingly unfavorable this year, the officials of course stating that "Owing to continuous easterly and southeasterly winds during February and no severe frost, whelping ice was not found by the various captains in the usual locality. The seals made their way north to the vicinity of Gros Water Bay to whelp. A small catch of 25,000 seals were killed in White Bay.

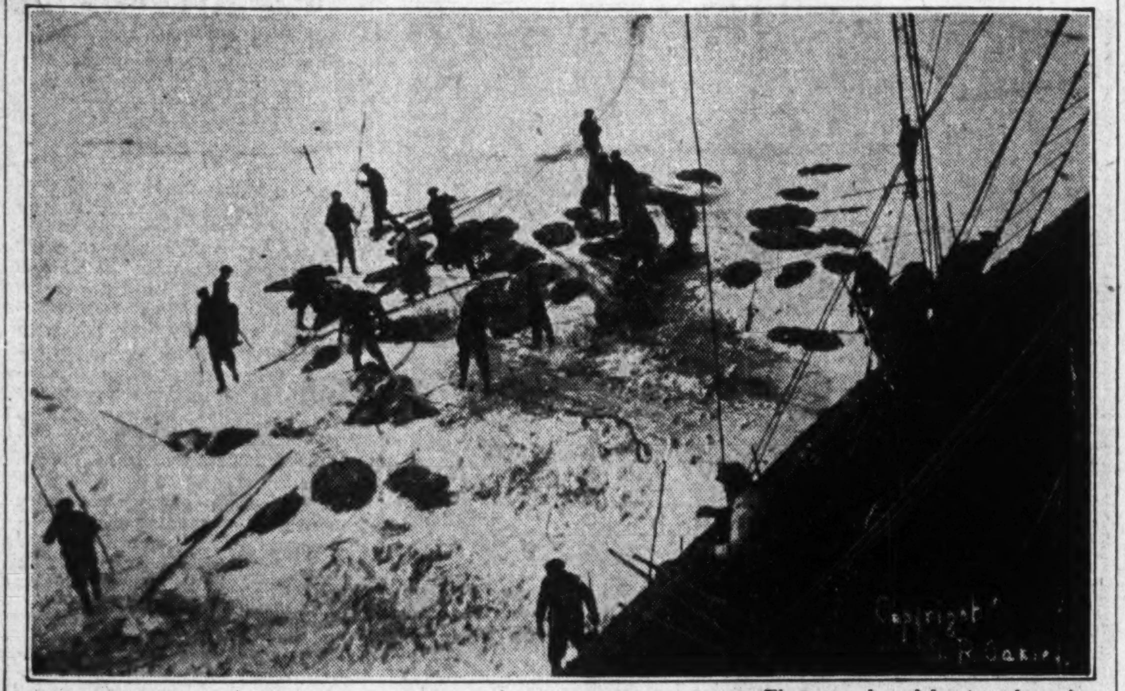
Last year ice conditions in the North were most favorable for several years and some captains reported that there were more seals apparent than ever before in their experience. Immense herds of old seals were also encountered last year in the mouth of the Strait of Belle Isle.

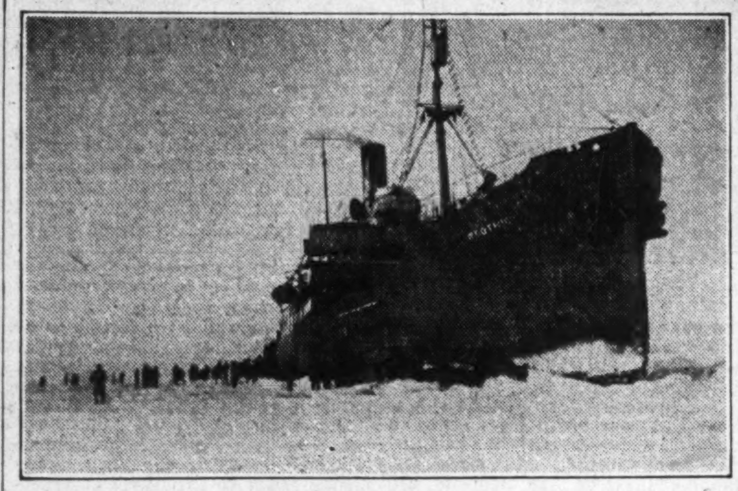
The poor catch of 1931 raises again the very important question that Newfoundland has feared for many years—namely the extinction of the seal. These animals which are capable of producing only one young per year cannot be expected to stand up against modern inventions that have been used to destroy them, particularly as seal fishing is only conducted at the time when the mother seals are helpless after the birth of the young. Mothers bring forth their young seals at the end of February or the early part of March on the level floe ice called whelping ice which comes along the east and west coast of the colony. The large steamers engaged in the seal fisheries are protected against the ice, they have wireless to communicate with the land and with one another and now they have introduced the aeroplane to direct the vessels where possible. Modern repeating rifles with expanding bullets are used to kill the seals Every year there is a great loss from thousands of seals being killed and their bodies lost from the ice.

Is Old Industry

The history of sealing in Newfoundland is full of romance and goes back over 200 years. It is said that 50 years ago seals were much more plentiful than they are today and that the annual slaughter reached over 400,000, the total value being between $1,000,000 and $1,250,000 per annum. The seals taken are the hair seals species and differ from the fur seal of the North Pacific.

Adventure and Economics Combine in Seal Hunt





The annual seal hunt each spring brings large revenue to Newfoundland. ABOVE: Gathering pelts on the ice. BELOW: The Beothic, a famous sealing vessel.

Their value lies chiefly in their hides which make a very fine grade of leather and in their oil which is used medicinally as a substitute for cod liver oil, for food and for soap.

The sealers work is interesting but arduous and is extremely hazardous as may be seen from the accident which occurred this year to the S.S. Viking. As already noted the fleet sailed this year on March 9 and the first one returned on April 8 and the last on April 24. The men are paid a definite share of the takings and last year the record went to an auxiliary called "Young Harp" which netted the men approximately $106 each as their share of the value of the catch. The smallest share of any of the boats engaged in 1930 was that of the "Thetis" which returned only $5.49 per man. This year the best reward went to the crew of auxiliary schooner "Swile" which was the first ship to come back and which netted $65 per man. The lowest was $13.27 received by members of the schooner "Young Hood." The average amount received was between $20 and $30 per man.

L. C. G. Chafe, compiler of the Sealing Fleet Records, has kept tab on the industry for the past 50 years. Mr. Chafe is an employee of the customs office and made a hobby of learning to identify sailing vessels coming into the harbor by their peculiar features. When the St. John's fire of 1892 destroyed all public records in connection with the industry, it was found that Mr. Chafe had kept his own private records and that they were safely carried in his pocket at the time of the fire. Mr. Chafe is the publisher of Chafe's Sealing Book which is redolent with historic romance of the seal fishers.

Cod Liver Oil Industry Finds New Hope in 1931

Elimination of Synthetic Substitute and Remarkable Report of Empire Marketing Board Seen as Outstanding Achievements

By W. A. MUNN

A year ago found Newfoundland's cod liver oil business in a very depressed condition due to the approval by experts and the public of a manufactured substitute. This product was a synthetic preparation made from fungus growth something like the mold on cheese. When subjected to ultra violet rays it retained the virtue of these rays to such an extent that vitamin D was 200 times more potent therein, than it could be found in cod liver oil. As a result it could be taken by the drop instead of by the teaspoon which was another factor in its favor. Some experts such as Professor Mendell of New York and Dr. J. C. Drummond predicted trouble for this preparation as it did not contain vitamin A which promotes growth, but many acclaimed it both in the United States and Great Britain.

Fortunately for Newfoundland, before six months had elapsed, doctors were discarding this short-lived substitute, the hospitals claiming that it was calcifying the muscles and intestines as well as the bones, and creating considerable trouble. Today, while some firms still consider that it has certain merits, all have come to the conclusion that it cannot take the place of cod liver oil, and Newfoundland's great industry breathes freely once more.

Consumption Increases

Over-production has not missed the cod liver oil industry and prices in consequence are at a very low point. Notwithstanding this there has been a greater consumption of this product than usual, which has helped to give a somewhat more healthy complexion to the market.

The most important pronouncement of the past year came from the British Marketing Board in the form of their detailed report on the relative merits of various cod liver oils now on the market. For the past five years they have been making a most careful research on the merits of the various oils, having appointed Dr. J. C. Drummond, of London University, and Dr. T. P. Hilditch, of Liverpool University to superintend the investigation. The first year a laboratory was erected at Aberdeen and the second year Dr. Drummond visited Newfoundland where he went into the details of manufacture in a most thorough manner. They then visited Norway and after the most careful comparisons in their laboratories, both with chemical tests and animal feeding, their 160-page report was published in book form last December. The report is recognized by all as the most authentic research work ever published on the subject of cod liver oil.

Newfoundland Takes Lead

From our own standpoint it is particularly gratifying that Newfoundland oil is ranked as the very best that can be had anywhere. Iceland oil comes second, while Scotch oil comes intermediary between that of Iceland and Norway. These experts point out that the rich golden tinge of the Newfoundland oil is a mark of superior merit, just as the rich yellow of natural butter marks it as superior to the white product. It is the yellow tinge that is found to have a close association with vitamin A.

They state emphatically that the drug trade have been making a mistake in giving the water-white Norwegian oil a preference. They make some splendid suggestions for future work both in regard to manufacture and research. They condemn the system of testing employed in the Norway University and point out that their unit of value for expressing comparison is only about one-quarter of the value of the unit required by the British Pharmaceutical Society, and that there is a still greater disparity with the U. S. P. requirements. They state that certificates issued by Professor Poullson, of the Oslo University are worthless under such conditions and are leading buyers astray. They call for an international agreement to standardize these methods of comparison.

For the past three years United States scientists have been taking the lead in their pronouncements on the merits of cod liver oil. Now the most critical experts admit that Dr. Drummond has excelled himself by emphatic pronouncements on merit that cannot be gainsayed. He has brought forth new and important ideas which place cod liver oil on a higher level than it has ever been before, and his report is a credit not only to himself but to the Empire Marketing Board.

Benefits of Seal Hunt Are Widely Diffused

Although seal fishers received only $121,000 as the net value of their catch in 1931 as compared with $406,000 the previous year, this is by no means the whole story of the economic benefits derived by Newfoundland from its sealing operations.

As may be seen by the following comparative table between $500,000 and $1,000,000 of revenue is received annually through the production of seal oil and preparation of seal skins. These are the latest figures available and give a bird's-eye view of the value of this industry to the Dominion.

Production of Seal Fishery

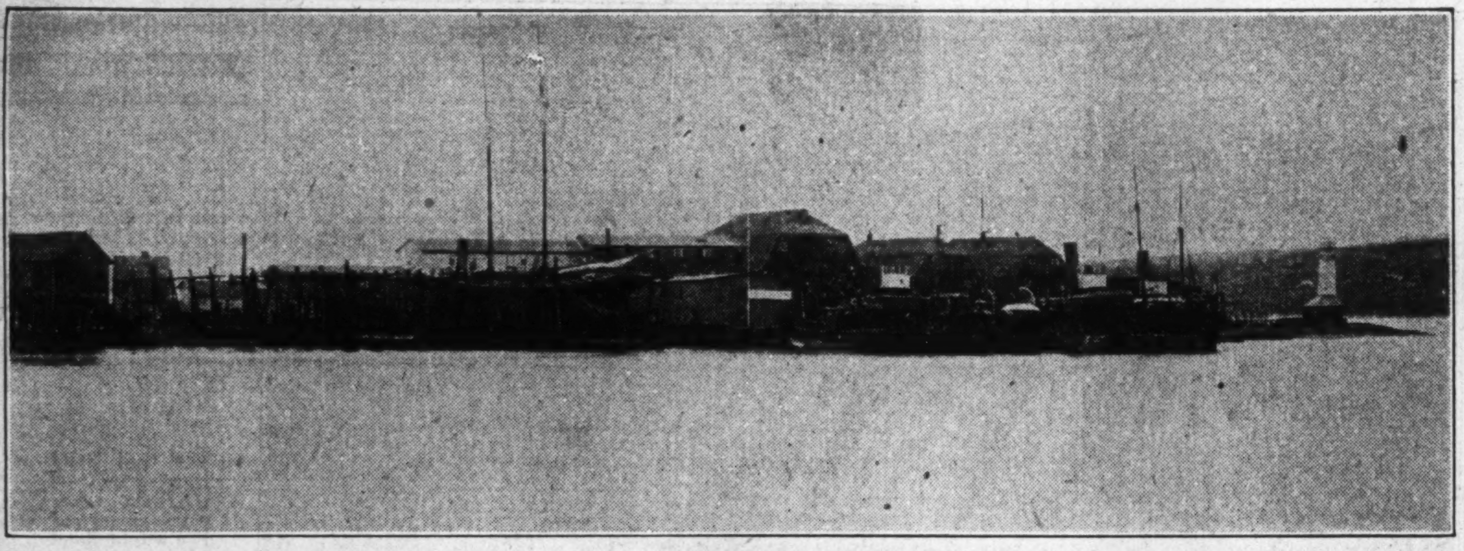
Seal Oil

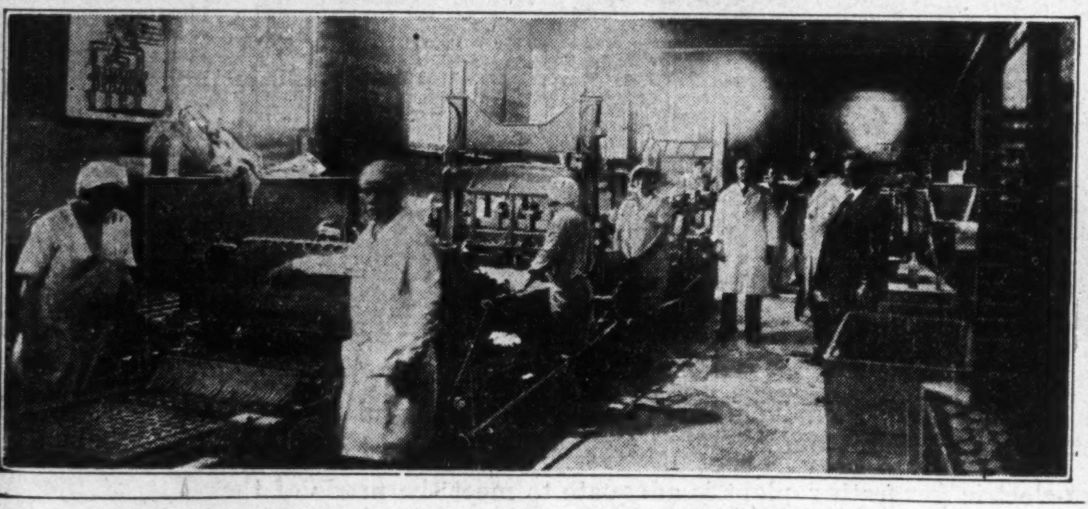
Season	Tons	Value
1919-20	1,008	$262,352
1920-21	1,487	248,422
1921-22	1,730	176,008
1922-23	1,501	170,997
1923-24	1,993	275,278
1924-25	3,208	396,611
1925-26	1,860	235,769
1926-27	2,940	360,704
1927-28	2,791	331,697

Skins

Season	No.	Value
1919-20	62,174	$170,331
1920-21	106,118	147,935
1921-22	130,241	205,652
1922-23	100,575	163,116
1923-24	142,310	212,450
1924-25	149,222	273,198
1925-26	132,609	188,271
1926-27	211,531	395,510
1927-28	336,269	606,517

Two of Newfoundland's Industrial Plants in Full-Swing Operations





ABOVE: Munn's cod liver oil plant at Harbor Grace, where refined oil is manufactured for export. BELOW: Some of the up-to-the-minute machinery in the recently opened biscuit plant of Purity Bakery, St. John's.

Usage of Cod Liver Oil As Medicine Dates Back To Middle of 18th Century

General recognition of the great therapeutic value of cod liver oil is only of comparatively recent origin, according to information contained in the special report on cod liver oil prepared last year by the Empire Marketing Board.

According to this authority, the liver oils of cod and related species were employed for centuries as trusted household remedies by the fisher folks scattered along the coasts of Norway, Greenland and Scotland. There are also records of the export of considerable quantities of the oil from Norway to the Hanseatic ports during the fifteenth and sixteenth centuries, although it is probable that this product known as Bergenthran, was used for technical rather than medicinal purposes.

Known in Manchester

According to Dr. Thomas Percival, the first record of the use of the oil on any extensive scale relates to the clinical trials made by Dr. Samuel Kay who was a physician on the staff of the Infirmary from 1752 to 1784. According to these early records, Dr. Kay and his colleagues employed the oil somewhat extensively for the treatment of bone infections and rheumatism. The following extract from a letter written about this time is illuminated: "So general has been the use of the oil with us, that we dispense fifty or sixty gallons annually; and the good effects of it are so well-known among the poorer classes that it is particularly requested by them for almost every lameness. Except bark, opium and mercury, I believe no one medicine in the materia medica is likely to be of greater service . . . . and I could wish for a more general use of it in order to prove that the above account of its good effect is no exaggeration."

It was this very oil referred to in the above correspondence which came directly from Newfoundland to the Manchester Infirmary. Considerable quantities of "trayne oyle" were landed at the west of England ports by boats engaged in the important trade with Newfoundland that flourished during the seventeenth, eighteenth and first half of the nineteenth century. Most of this oil was, of course, used for treatment of leather.

Germans Are Impressed

The success which attended the use of the oil at Manchester greatly impressed a German physician, Dr. Schenck, who carried out a series of clinical trials on his return to Germany. Publication in 1822 of his experiences led to a much wider appreciation of the medicinal value of the oil and the product was in fairly general use in Western Europe by 1840.

Although at first employed in a somewhat haphazard manner for the treatment of almost every form of disorder, the medical profession soon recognized its real virtue in its power to rebuild the constitution in conditions of malnutrition, particularly rickets.

A survey of the literature of this period shows that speculation was rife concerning the reason for the beneficial effects of cod liver oil and in this connection considerable attention was paid to the differences between this and other oils which were revealed by chemical examination.

Iodine Discovered in 1836

Nearly a century ago Hupfer de l'Orme (1836) detected the presence of a trace of iodine in cod liver oil, and advanced the suggestion that this component was responsible for the therapeutic action. His theory survived, passing through phases of varying popularity until Williams showed that the medicinal effect of refined oils did not run parallel to the amount of iodine present. As an alternative hypothesis he advanced the view that the beneficial action of cod liver oil in conditions of malnourishment is due to the readiness with which the highly unsaturated fatty acids it contains, can be assimilated.

The opening of the twentieth century was marked by a remarkable development of scientific research on problems of human and animal nutrition. After over half a century of close attention to the study of the quantitative aspect of the food requirements of the organism, investigators turned their attention to the qualitative point of view.

Within a few years this new line of attack led to the discovery of the vitamins, a discovery that has exerted as profound an influence on theories of nutrition as the classic investigations of Lavoisier on respiration. It was not long before the physiological action of cod liver oil was attributed to the presence of a vitamin, but proof that this action was due to something other than the oil (glyceride) itself was not provided until 1919.

A few years afterward the searches of Mellanby attracted attention to the part played by this or a similar dietary factor in the prevention or cure of the bone disease known as rickets. For a short time the evidence seemed to indicate that only one substance was concerned, but, later, it was conclusively proven that there are at least two physiologically important vitamins in cod liver oil. For convenience these agents have been labelled vitamin A and vitamin D, until such time as it can be decided whether they are individual substances or complexes, and until more precise information regarding their chemical nature has been obtained.

CLOTHING FACTORY

Newfoundland's
Biggest Departmental Store

IMPORTERS OF
Dry Goods, Millinery, Mantles, Readymades, Men's and Boys' Furnishings, Footwear, Smallwares, Stationery, Toilet Goods, Furniture, Wallpaper, Crockeryware, Glassware, Groceries, etc.

AGENTS FOR
Cleveland Royal and Buddy Rubber Boots, Orthophonic Victrolas and Records, Gotham Gold Stripe and Onyx Pointex Silk Hosiery, Staunton Wallpapers, Butterick Patterns, John Bell's Medicines, Cook's Soaps, Burpee's Seeds, Harvey Art Silk Underwear, Philco Radio and Tubes.

MANUFACTURERS OF
Ready-to-Wear Clothing for men and boys, Controllers of The Riverside Woolen Mills, Ltd., Newfoundland, who manufacture Pure Wool Blankets, Union Blankets, Camp Blankets, Fingering Wool, Yarns, Tweeds, Mackinaw Cloths, Homespuns, etc.

OUR ASSOCIATE COMPANY
Martin Royal Stores Hardware Co., Limited, can supply your every need in Sporting Goods—Guns, Ammunition, Game Bags, Gun Covers, Trout and Salmon Rods, Landing Nets, Trout and Salmon Flies, Reels, Lines, Casts, Fly Books, etc., etc.

WE INVITE TOURISTS
To come in and see our display of Blankets and Travelling Rugs, manufactured in Newfoundland by the Riverside Woolen Mills, Ltd. Also our splendid display of local hand-made mats. As a souvenir of your visit, nothing you could buy will give you greater service and comfort. Blankets for camping and for the home, all very moderately priced.

The Royal Stores, Ltd
THE HOUSE FOR VALUE
Water and Duckworth Streets
ST. JOHN'S - NEWFOUNDLAND

William Campbell Limited
Commission Merchants
ST. JOHN'S, N.F.

AGENTS FOR:
St. Lawrence Flour Mills, Ltd.
Carnation Products Co.
Kellogg Company of Canada
Dwinnell Wright Co.
Stickney & Poor Spice Co.
Trudell Ayer Co.
Hygrade Food Corporation

Cable Address:
"Campbell," St. John's
Codes Used
A.B.C. 4th and 5th Edition
Cross
Robinson
Riverside

Correspondence Invited

THE
EASTERN TRUST COMPANY
Established 1893

EXECUTORS TRUSTEES

YOUR LIFE INSURANCE PLACED IN TRUST

The old way was to leave your Life Insurance to your family in a lump sum. They had the responsibility and anxiety of investing it, and often lost much of it through ignorance.

The new way is to place your Life Insurance in Trust. Through a Trust Deed devised for their protection you are able to continue your care for your family when you are no longer there.

GUARANTEED DEPOSITS

A first-class and absolutely safe investment for your surplus funds. Interest 4% per annum on certificates payable on demand. On certificates drawn for one, two or three years 4½%. Interest sent by cheque, 1st June and December.

Please write or call for particulars.

NEWFOUNDLAND ADVISORY BOARD
Hon. Sir M. G. Winter, C.B.E., Chairman
Hon. Samuel Milley Hon. D. A. Ryan
Hon. F. C. Alderdice David Baird
P. B. Rendell, Manager

Newfoundland Railway

3 Foreign Train Connections Weekly
From points in Canada and United States to Newfoundland

The New-Found Vacation Land

Steamer "Caribou" leaves North Sydney 8.30 p.m.
SATURDAYS-TUESDAYS-THURSDAYS

"ONLY 7 HOURS AT SEA"

and direct connection with express trains from Port Aux Basques, Nfld., 7.45 a.m.
SUNDAYS-WEDNESDAYS-FRIDAYS

Stops made at all principal Commercial Centres and Sporting Resorts—arriving St. John's, Nfld., NOON the day following

Dining and Sleeping Car Service Featuring Newest Refinements of Travel Comfort and Convenience

"COURTESY ALL THE WAY"

Buchans and Wabana To See Larger Units; Other Areas Inactive

Low Price of Metals World Over Slows Down Exploration and Development Work—Buchans Mine Continues to Show Profit

While the mining industry of Newfoundland is carrying on at a higher rate of production than ever before, there is not a great deal of new exploration work going on. Conditions bearing on mineral prices throughout the world have not been conducive to the encouragement of exploration and development work. Thus the major events of the past year in regard to mining in Newfoundland have been chiefly in connection with existing operations.

Iron Ore Shipments

At Wabana, Bell Island, where the iron ore mines of the Dominion Steel and Coal Corporation are located, there has been planned a substantial increase in capacity. The mines have been active shipping ore to Europe as well as to Canada, where the ore is used in the steel plant at Sydney.

At the Buchans Mine the output was largely increased during the year, and zinc-lead concentrates were produced steadily at a profit, despite the low prices for those metals.

Largest Metal Mine

Buchans Mine, controlled jointly by the American Smelting and Refining Company and the Anglo-Newfoundland Development Company is the largest metallic mineral development now operating in Newfoundland.

Lead-zinc-copper ore was discovered on the Buchans River in 1905. The Anglo-Newfoundland Development Company carried on considerable development work, which revealed well defined lenses of complex ore up to about 22 feet in width and extending approximately 400 feet laterally, and about 350 feet on the dip. The ore, being complex in nature, presented considerable metallurgical difficulties, which were in time solved.

In 1920 arrangements were made for the American Smelting and Refining Company to take charge of exploration and development, and to provide the necessary sums to bring the property into production. A successful treatment was finally worked out by engineers for that company, and in 1926 and 1927 active exploration on the property commenced.

Several Large Ore Bodies

The company's property consists of several groups totalling approximately 1,400 square miles, in the Red Indian Lake and Noel Paul's Brock mining area in Newfoundland. Production operations are centred at the Buchans Mine which is served by a 22 mile railroad branching off from the Newfoundland Government railroad, at a point about 15 miles southeast of Millerton Junction. Five distince ore bodies have been proven so far, which occur in a series. The chief ore body, from which production is now being concentrated is estimated to contain nearly 5,000,000 tons of ore, averaging 17.85 per cent lead, 7.65 per cent zinc and 1.4 per cent copper as well as silver and gold. Other shafts have been sunk on other ore bodies and total ore reserves at the end of 1929 were estimated at over 7,000,000 tons, which at the then prices for metals were estimated to have a net value in excess of $45,000,000.

In October, 1928, a concentrating mill of 500 tons initial capacity was completed, and production operations were commenced. During the first year the tonnage of ore milled was 166,536 and the production of concentrates amounted to 73,508 tons. In the second year production was 87,764 tons of concentrates.

Aid to Railway

The importance of this mining operation to the Government railway can be visualized by the fact that it required 3,720 railway cars to transport these concentrates to the ocean ports from where they were shipped to the smelter.

The company has been engaged in the job of doubling its mill capacity. It can now handle about 540 dry tons per day of concentrates whereas the newly constructed portion which will be completed shortly will make it possible to handle 1,000 tons per day in all.

Buy Power From I. P.

In addition to the erection of a new unit to the concentrator to practically double its capacity, the Buchans Mining company during the past year has benefitted from the construction of a new power line from the International Power and Paper Co.'s plant at Deer Lake to Buchans. When the new mill is operating the Buchans Mining Company will take up to 6,900 horsepower, or whatever is necessary to turn the new mill.

It is the plan of the owners of the Buchans Mining Company to erect a smelter, to treat the concentrates in Newfoundland, but it is unlikely that this smelter will be built in the near future as the present price of minerals does not encourage such a substantial investment. When the mining outlook improves the Buchans Mining Company is likely to erect a smelter.

Iron Ore at Wabana

Another world famous mining operation in Newfoundland is the Wabana ore deposits at Bell Island, controlled by the Dominion Steel and Coal Corporation. These deposits are among the largest and the most important in the world. They were developed primarily to supply iron ore to the great steel furnaces at Sydney, Nova Scotia, but the shipment of ores from Bell Island to European points now vastly exceeds the supply required for the Sydney mills.

The first cars of iron ore were shipped from the property on Christmas day, 1895. Since then the deposits have been actively and continuously worked. On the island the deposits underlie about three and a half square miles of territory, while the submarine areas are estimated at about 85 square miles. The tonnage of ore is immense but has not been delimited and it is impossible to estimate its total extent, although some geologists have said that it is at least over a billion tons.

There are four operating mines. The system of mining is a modified form of the room and pillar.

Plan to Enlarge Plant

Operations during the last few years have been approximately at the rate of one million tons annually, but the Dominion Steel and Coal Corporation has in mind increasing mine capacity to two million tons annually, because of the large increase in the European demand. The mines are located only about two miles from deep water shipping points, and the company owns its own piers capable of handling the largest type freight steamers, and equipped with modern loading devices.

Since the inception of operations about 26 million tons have been mined and shipped from the property. Over half has been shipped to the Dominion Steel and Coal Corporation's iron furnaces at Sydney, Nova Scotia, the balance exported to Europe, principally, Germany. Prior to the war a thriving business was done with German and Belgian steel industries. This was lost during the year but has since been regained and increased.

Now Ship to Britain

Small shipments were made last year to the United States and to Great Britain. In connection with the latter country it is interesting to note that Dominion Steel & Coal Corp. recently secured a contract from the Ford Motor Works of Dagenham, England, to supply it with a large quantity of iron ore during 1931, and an additional quantity during 1932, and 1933.

Normal daily production is about 5,200 tons. The total production during 1930 was approximately 1,500,000 tons. Shipments were smaller. The tonnage shipped during recent years is shown in the following figures:

	Tons
1895	2,399
1900	326,185
1905	686,862
1910	1,124,850
1915	775,519
1920	589,389
1925	1,132,010
1926	865,716
1927	1,335,429
1928	1,547,895
1929	1,516,999
1930	1,177,961

Of the shipments during 1930, the largest amount went to Germany, followed by the quantity sent to the steel plant in Sydney.

There is a good possibility that if a scheme for rationalization of the Canadian and British steel industries on an international basis is adopted that British steel industries will undertake to adapt some of their furnaces to the Newfoundland ore which would provide the island with a new and important market.

Buy Additional Power

Making plans for the enlargement and modernization of the plant, the Dominion Steel and Coal Corporation has made arrangements to purchase additional hydro power from the Newfoundland Light and Power Company's new six thousand horsepower development at Pierre's Brook and the power from this development is being brought to the island by two new power cables which were laid in the fall and winter last.

The prospects for full time operations this year are not good, due to the general depression in the iron and steel trade throughout the world. But the Wabana iron ore deposits are well known, the markets are established and growing and when prosperity returns again to the world increased production and exports will undoubtedly be noted.

Shipments for 1930

While production was nearly 1,500,000 tons in 1930 shipments were considerably less than that total. The total shipments for the year 1930 were 1,177,961 tons as compared with 1,516,999 tons in 1929. The shipments comprised 661,406 tons exported to Germany, 467,784 shipped to Sydney, and 48,771 tons to the United States. During the year 37 steamers visited Wabana making 120 trips in all. Work in the mines has been on the three day a week basis.

Norseman Not Busy

Another group of Newfoundland mining developments attracting attention, but not very active, are those controlled by the Norseman Corporation. This corporation, controlled chiefly by Canadian and Newfoundland men, holds extensive rights in connection with mineral development on the island. One valuable property is located at Tilt Cove, an important body of copper pyritic ores free from zinc or other complexities and capable of being easily treated. A striking feature of the ore is that the pyrites, which is often considered an obstacle to economic development, is in the case of Tilt Cove a genuine asset, since it is capable of being marketed in the form of sulphur. Another large copper property, controlled by Norseman Corporation, is located on the Gregory River and is considered to have possibilities of developing into a mine even larger than at Tilt Cove.

No Mill to go up Now

It was planned a year or so ago that a mill of 1,000 tons daily capacity, later to be increased to 2,500 tons daily capacity, would be built at the promising Tilt Cove property, but financial conditions and market for metals generally have not been good enough to permit any such extensive programme being undertaken. In the meantime the company is spending several thousand dollars a month on further exploration and maintenance work and plans, during the coming year, to do some work in connection with getting a better geological understanding of the property preparatory to erecting a mill at Tilt Cove and also to developing the Gregory River property when more normal conditions return.

Extend Charter Rights

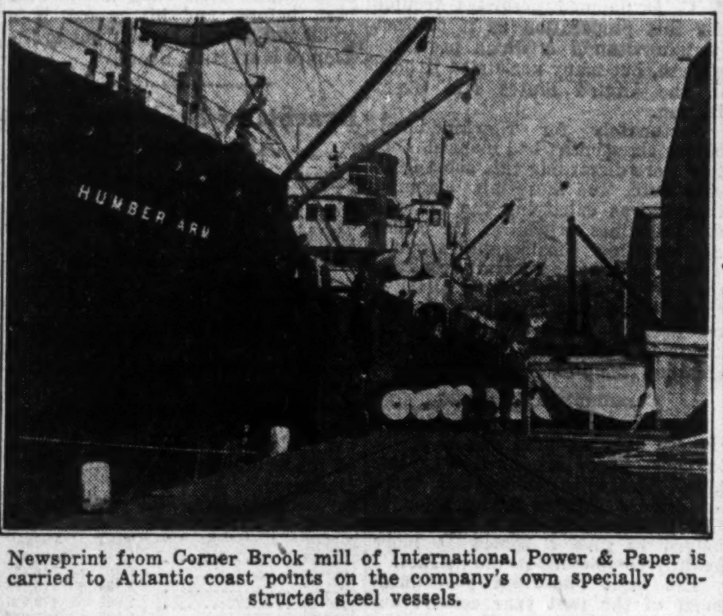
In the meantime, the Newfoundland Government has given an extension of the legislation under which various rights were granted to the Norseman Corporation. These rights included the exclusive customs smelter rates until 1945 on the island; title to a smelter site embracing an area of 15 square miles; protection from claims on account of fume damage; docking facilities in two ocean ports; freedom from taxation on both imports and exports and certain valuable water power rights.

Many other important mineral properties exist in Newfoundland some of which have been explored, and many of which are certain to be developed in time. This survey has dealt only with the chief properties that have been actively before the public in recent years.

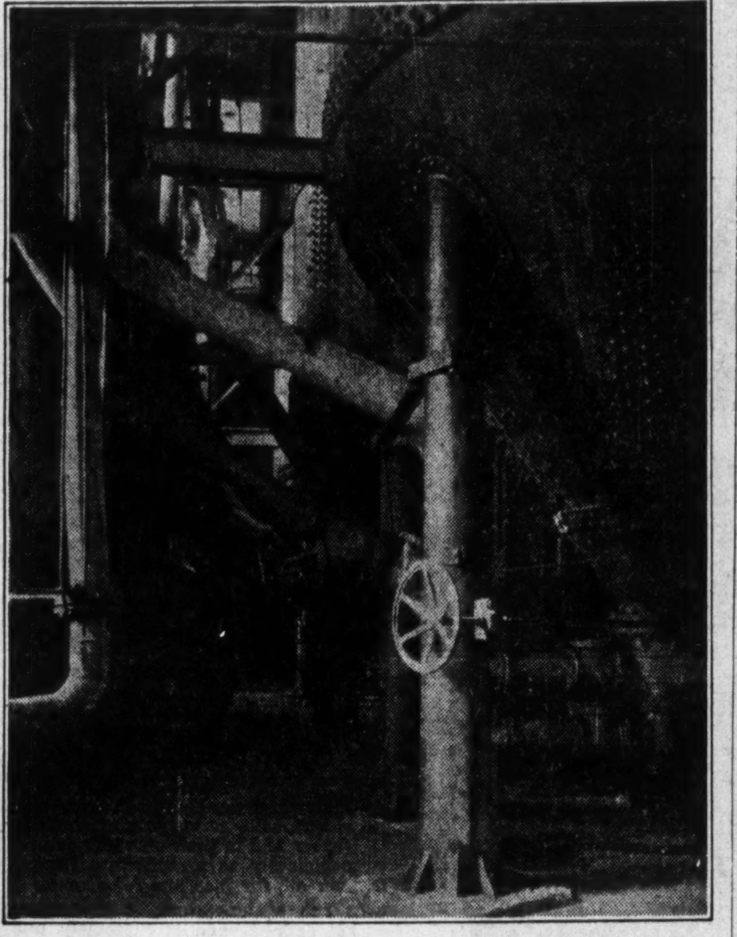
The Mining Act of Newfoundland has been re-designed from time to time and is based upon the Government's desire to encourage prospecting, exploration and active development of the notable mineral resources available.

Scenes That Reveal Newsprint Development in Newfoundland

Woods operations in winter months.



Newsprint from Corner Brook mill of International Power & Paper is carried to Atlantic coast points on the company's own specially constructed steel vessels.



A view inside the Corner Brook mill.

Cowan and Reid Form New Brokerage House

Cowan and Reid Limited is the name of a new brokerage house formed recently in St. John's, Newfoundland.

The two principals are H. J. Cowan, who has been engaged in the brokerage business for several years, and Gordon E. Reid, formerly of the Bank of Montreal staff in St. John's, and a son of the late Sir William Reid.

Connections have been made with members of the New York Stock Exchange and the Standard Stock and Mining Exchange of Toronto, for whom the new firm will act as correspondent brokers. Orders will be executed on all exchanges for all listed or unlisted stocks and bonds.

Marine Insurance Company Has Profitable Year

A balance of $13,978 for the year ending Dec. 31, 1930, is shown by the Newfoundland Marine Insurance Company. After paying a 6 per cent dividend on Jan. 14, 1930, the company carried forward a balance of $26,097. The company showed total assets of $157,805 as compared with assets of $150,000 at the end of 1929. Gross premium income in 1930 was $31,252 as compared with $29,686 the previous year. Losses paid amounted to $14,647, as compared with $8,100 the previous year.

W. S. Monroe is president of the company and M. G. Winter is vice-president. W. A. Munn is managing-director. The company's head office is at St. John's.

TOWNS ELECTRIC SERVES DISTRICT OF OVER 100,000

New Plant Soon to be Built to Accommodate Expansion

United Towns Electric Co. serves practically all the heavily populated districts of the eastern part of Newfoundland known as the Avalon and the Burin peninsulas, with the exception of St. John's, which is served by the Newfoundland Light and Power Co. The Conception Bay district is also now being opened up.

Total population served exceeds 100,000, electricity for both lighting and power being distributed to over 80 communities. In addition bulk power is supplied to the Newfoundland Light and Power Co.

In April, 1931, the company acquired control of Wabana Light and Power Co. which holds the franchise for lighting on Bell Island. The deal, however, did not include the power in connection with the properties of Dominion Steel and Coal Corp., located on the island. This entailed the construction of a new transmission line across the island, since the use of the Dominion Steel and Coal Co.'s line is not now available.

The company has in operation approximately 500 miles of transmission lines and is adding to these each year.

At present the United Towns Electric Co. has hydro-electric plants at Victoria and Seal Cove, having a total capacity of 6,600 h.p., while construction is about to be commenced of a 1,500 h.p. development at Topsail River, near Harbor Main, to take care of constantly increasing demands.

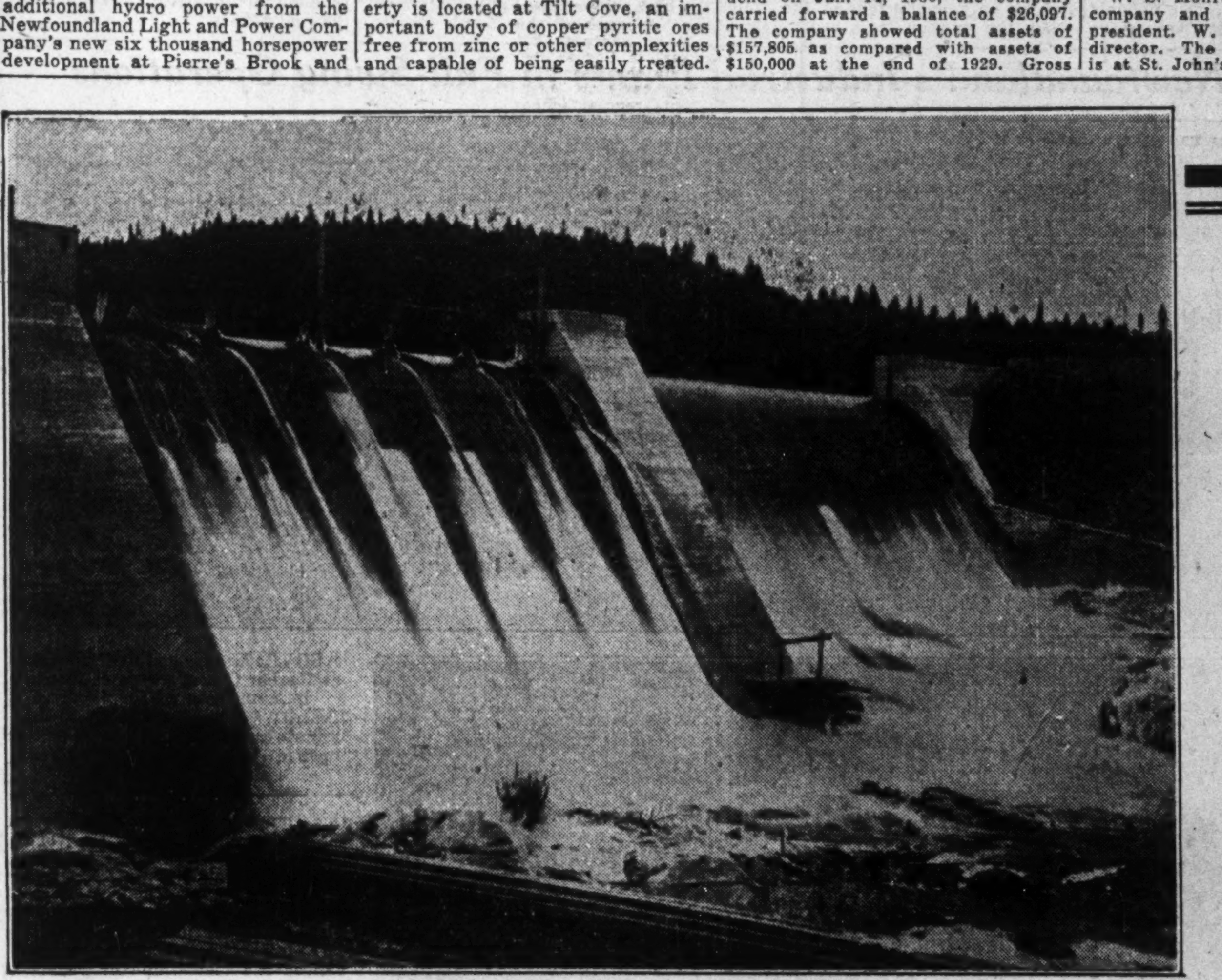
Over 6,500 customers are now being served, without taking into account those of the Wabana area. Many of these are stockholders in the company, an offering of 7 per cent Series B, preferred shares having been made locally in the early part of 1930.

Good progress and expansion was made during last year, and the company anticipates that by the end of the current year all surplus power from the Victoria and Seal Cove plants will be taken by Dominion Steel and Coal Co., through the Newfoundland Light & Power Co.

The steady growth of the company's business is shown by the following comparative statement:

GROSS REVENUE
Years Ended Dec. 31

1922	$ 49,206
1923	53,535
1924	63,335
1925	82,209
1926	89,873
1927	101,356
1928	118,782
1929	137,626
1930 (Estimated)	160,000



A Growing Public Utility

serving St. John's, Newfoundland, the oldest city in the New World.

THREE rate reductions in seven years. The latest became effective Feb. 1st, 1931. That tells part of the story of the service rendered to St. John's, Newfoundland, by the Newfoundland Light and Power Company, Limited. These rate reductions have been made possible by the steady advance of the capital city of the Ancient Colony.

Newfoundland Light and Power Company, Limited serves the needs of St. John's, the oldest city of the New World, with electric lighting and heating, power to drive industries, and provides as well the street car service of the city.

In 1898 the Reid Newfoundland Company, then operating the Newfoundland Railway, bought out the City Lighting Company that served the then modest needs of the community with power generated in a relatively small steam plant. With this purchase the whole character of the enterprise was changed and modernized. In place of the steam plant the company took advantage of the splendid natural power facilities near the city, and erected one of the first hydro-electric plants on the Island, at Petty Harbor. This plant, with its capacity of 1,200 h.p., was the forerunner of the present company, and the power generated was ample to meet all the requirements of the city.

With the growth of the city, however, and the gradual adoption of electric instead of steam power in industry, with the growing use of electricity for lighting and heating and advertising signs, the demand called for more extensive service and equipment.

In 1924, the present company was formed by Canadian public utility and financial interests, under whose supervision its properties have been modernized and extended. Hydro-electric generating capacity has been increased, and the tramway system entirely rebuilt. The company now is included in the group of successful light and power properties controlled by International Power Company, Limited, of Montreal.

The present hydro-electric generating plant is adequate to meet the needs of the city for some time to come. The general character of this water power assures a continuous and reliable service. It is drawn from a drainage area of some 53 square miles, that contains several large storage basins. The company has another power site, at Pierre's Brook, which development, illustrated above, has just been completed.

Not so many years ago the parent company served some 600 lighting customers, but the steadily growing electrification of homes and business places has reached a point where the company now serves about 7,000 light and power customers.

The steady growth of the use of electric signs, and more particularly of electrical appliances of all kinds for cooking, washing, cleaning, water and air heating is steadily adding to the demand for power.

The growing needs of the Street Railway demanded certain improvements, and in 1926 the old rails were replaced by a heavier and more modern type, while new steel cars were purchased to replace those that had been worn out in service. Throughout every department of the service offered by the company the most complete and modern equipment obtains.

The Gull Pond Dam, part of the new power development of Newfoundland Light and Power Company at Pierre's Brook, near St. John's, Newfoundland. This will add 5,000 h.p. to the power supplies of the company. The power will be supplied to the Bell Island iron ore mines of the Dominion Iron and Steel Corporation.

NEWFOUNDLAND LIGHT AND POWER COMPANY, LIMITED
ST. JOHN'S : NEWFOUNDLAND

SEES FACTORS ENCOURAGING TO BUSINESS

Newfoundland Finds Troubles Though Many Clear Up Quickly

MILLS ARE BUSY

But Fishing Still Dominates in Industrial Life of Britain's Oldest Colony

By W. A. DONER

ST. JOHN'S, Nfld.—Business has been quiet in Newfoundland, but the fact that fishing is still the basic business of 40 per cent of the population is a bright spot in the colony's outlook. The explanation of this is that fish, unlike wheat, coffee, metals, and sugar, is a difficult product to store and even if fishermen do have to take a loss on one year's catch, the thing is at least done and the decks are cleared for next season's business.

Already there are some hopeful signs in that stocks of dried codfish carried over from last year are low, while in some cases scarcity prevails, which means that by the time new fish are on the market practically all last year's stock will have been sold. Another favorable factor is that Norway, whose total catch of dried fish last year was 700,000 quintals, this year with the season nearly over has only 400,000 quintals; Iceland which had a catch last year of 1,400,000 quintals will this year have less than 1,000,000.

World Supply Normal

It is too early to estimate the catch on this continent but it is known that Lunenburg will be less than last year. This shortage however, may be offset by an increased catch on the Gaspé Coast where more boats are fishing than for several years past. Assuming Newfoundland and Labrador will produce a catch not in excess of last year's production, the world supply of dried fish at the close of the season should be well within the amount required for normal world consumption.

Market outlook still remains poor, but apart from business conditions in Spain and Brazil which are anything but favorable, there are signs of improvement in some areas. Greece, for instance, is apparently anxious to receive Newfoundland codfish and is prepared to accept large shipments provided it is inspected and of the right quality required for that market.

Newsprint Mills Busy

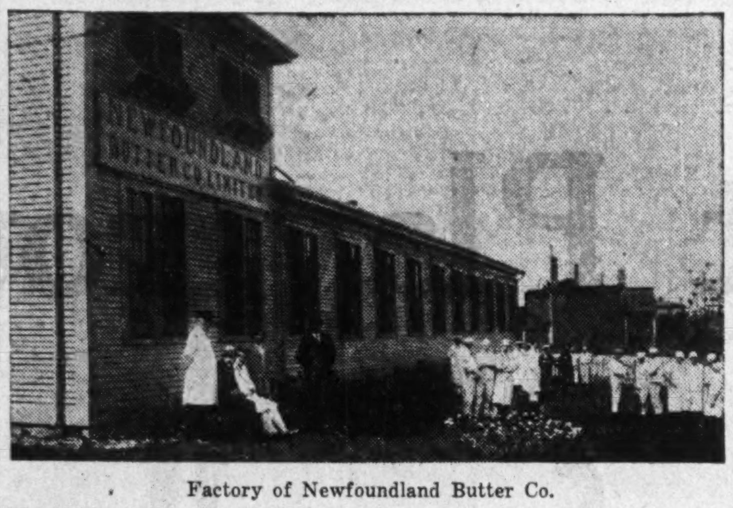
The next important industry is pulp and paper and it is gratifying to this dominion to learn that in spite of the fact that the long hoped-for Gander River project is still very much in the air—if not definitely evaporated—local mills are running at 93 per cent of capacity as compared with an average of only 58 per cent in Canada. Exports of newsprint to Great Britain alone in 1930 were 105,000 tons valued at $7,530,000 as against 83,000 tons valued at $5,936,000 in the previous year.

At Bell Island conditions are none too prosperous, shipments of ore contracted for during the 1931 shipping season being only 635,000 tons—only a little more than a third of last season's shipments.

At Buchans mine a new addition to the concentrating mill is now practically completed and preparations for work on an increased scale are being made. This will enable the mill to handle 1,000 tons of concentrates per day.

Hopeful signs for the future are an awakening of interest and effort toward better merchandising, standardization of products and so forth, particularly in the fish industry, where Newfoundland has found important markets slipping away through inattention to these fundamentals of successful business. Valuable research work has also been achieved and more is under way, all of which should be of material assistance to the industrial future of this dominion.

Modern Plant Supplies Butter, Margarine



Factory of Newfoundland Butter Co.

Will Import Fine Cattle To Aid Dairy Industry

Newfoundland Butter Company, Under Presidency of Sir John Crosbie, Makes Progress at St. John's

The Newfoundland Butter Company is more than a name for an organization engaged in one of Newfoundland's industries. It stands as an example of what can be done in the investment field in Newfoundland, and an instance of what can be accomplished in the establishment and upbuilding of an organization, in a highly competitive line of endeavor, by the energy, enterprise and sound business judgment of one man.

The Newfoundland Butter Company, St. John's was organized by Sir John C. Crosbie in 1925 with a capitalization of $100,000. Soon the steadily increasing demand for the product made extension necessary, and the capital was increased, and today the industry represents an investment of $200,000. With no bonded indebtedness, its liabilities limited to maintenance and current expenses, the company is not only in a sound financial state, but in a position to take the best possible advantage of opportunities for development and expansion.

Convinced by several years of close observation of the trade that with modern machinery and up-to-date equipment margarine and butter could be placed on the market at a cost that would permit of a reduction in price to the consumer, the founder of the Newfoundland Butter Company decided to enter the field. Results have fully verified his judgment and justified his optimism, as the price has been reduced two cents per pound since his product came into the field.

The plant is considered the most modern on this side of the Atlantic. No hesitation is shown to scrap when better machinery is offered, because it is one of the president's business mottos that "the best is always the most economical in the end." The plant is operated throughout by electricity. The rapidly increasing demand during the past three years has necessitated two extensions. At present an addition is under construction, which will be utilized for a new branch of the business, the nature of which has not yet been announced. Every gallon of milk used in the factory is pasteurized, and in addition pasteurized milk is delivered daily to a large number of customers in sealed containers. Sir John Crosbie is insistent on cleanliness and health on the part of all employees, and spotless surroundings both inside and outside the factory. The grounds surrounding the buildings present the appearance of a miniature park, laid out with flower beds, intersected by paved walks.

Staff accommodations are excellent. Dressing rooms are provided neatly furnished and equipped with hot and cold water shower and stationary baths. Once each month the employees must submit to medical examination by the company's doctor and his directions regarding hygiene must be scrupulously observed.

Sir John has visited the principal dairy and stock-raising centres in United States and Canada, and is convinced that the best varieties of dairy cattle are to be found in Ontario

He has now finalized arrangements for the importation of pedigreed stock from Ontario to improve local farmers' cattle.

The manager of the factory is George Ehlers, who holds high credentials from manufacturers of margarine in the United States. With him as assistant is George G. Crosbie, the president's son, and a director of the company.

STEAMSHIP SERVICE OFFERS ATTRACTIONS

Delightful Cruises Connect Newfoundland With Many Points

Newfoundland is amply served by steamship service which connects her with Canada and the United States, and Great Britain.

The Furness Red Cross Line operates a service between Liverpool, Newfoundland, Halifax and Boston, arriving and leaving St. John's every two weeks. It also operates cruise ships which offer a delightful New York-Nova Scotia and Newfoundland trip lasting 12 days. One of the cruise ships leaves New York every Saturday on this trip.

The St. Lawrence route to and from Newfoundland is a seaway that has been growing steadily more and more popular for some years past. There is a fascination about the shores of the Gulf that those who travel for business or pleasure cannot fail to appreciate, and the frequency of the steamship services supplied from Montreal and Quebec has been an added attraction toward this picturesque route.

The S.S. "New Northland" of the Clarke Steamship Company, which cruises on alternate Wednesdays from Montreal to Corner Brook, Newfoundland, via the Gaspé Coast, opened its services early in May, and will continue its regular schedule throughout the season.

The S.S. "North Voyageur" of the same company, sails alternate Mondays from Montreal for Corner Brook, via the north shore of the Gulf.

Both the "New Northland" and the "North Voyageur" allow at least a full day at Corner Brook on their round-trips. On autumn sailings the "New Northland" remains there three days.

Browning's Bakery Plant is Self-Contained Unit

Browning's Bakery of St. John's is a producer of moderately-priced high-grade hard bread and biscuits for local consumption. The company was founded in 1863.

Besides plain biscuits, there is a separate department devoted to making a large range of iced and coated biscuits, while the company has its own wood-working plant which makes all the boxes required for the packing and shipping of its products.

The motive power is supplied by an overshot waterwheel driven by the water of Waterford River. This is the original power plant and it is still found satisfactory and sufficient.

New Submarine Cable Links Newfoundland In Telephonic Chain

Largest Undersea Telephone Cable May Join With Avalon Tel.

2,100 LAND MILES LONG

American Tel. & Tel. Fosters Scheme to Link Europe to North America by New Bond

If present plans mature, Newfoundland will shortly be able to take advantage of its strategic location as a telephone-cable centre. The Avalon Telephone Co. which since 1919 has operated the telephone system throughout the Avalon Peninsula, is now negotiating to link its system with a new submarine cable between North America and Europe.

Arrangements are being made by the American Telephone and Telegraph Co. to lay a submarine cable crossing the Atlantic from a point in Trinity Bay, Newfoundland to the west coast of Ireland. This would be the largest submarine telephone cable in the world. Its main span between Newfoundland and Ireland being about 1,800 nautical miles long, or nearly 2,100 land miles. Two shorter sections of submarine cable will furnish connection with the continental land-wire system. One cable would extend from Sydney Mines, N.S., to Trinity Bay, Newfoundland. The other would be laid from the landing point in Ireland, around the northern end of that island to Scotland. Provision will be made in the Sydney Mines-Trinity Bay section for facilities to link up the telephone services of Newfoundland and those of the North American mainland.

Existing Radio Services

Telephone service between North America and Europe has been in commercial operation since 1927. At present four radio-telephone circuits connect the United States radio stations of the American Telephone and Telegraph Company with those of the British Post Office, in England and Scotland. The cable will afford an additional voice channel for the future increase of transatlantic conversations. It will also give a greater reliability, selectivity and secrecy to overseas telephone service as it will not be affected by magnetic storms and other atmospheric conditions which at times hamper the radio-telephone servce.

Several submarine telephone cables for short distances, and laid in comparatively shallow water, are already in operation. Among these are cables from Key West, Fla., to Havana, Cuba, and those across the English Channel, and the existing cable of the Avalon to Bell Island. If the present plans go through according to schedule it is expected that the submarine cable will begin operating some time in 1932.

A Modern Development

It is only within the last year or so that a telephone cable capable of operating over such a great distance has been made practicable. Research and development work by the Bell Telephone laboratories have produced a metal alloy for loading cable conductors, termed perminvar, and a new insulating material called paragutta. The use of these materials, together with improved terminal apparatus, permit transmission of the human voice over very long submarine cables.

Several alternative routes and landing places for the cable from Sydney Mines to Trinity Bay are under consideration by the A. T. & T. Co. The first route considered was from Sydney Mines to Smithy Nose. Another calls for the landing of the cable at Larnaline, both alternatives entailing the trenching of several sections overland.

Newfoundland's Part

The Avalon Telephone Company's part in the scheme will be to build a trunk line from St. John's to Trinity Bay and at the same time will install a local telephone service on the whole of the Burin Peninsula. The latter system will be linked with the Peninsula of Avalon through the A. T. & T. Co.'s submarine cable. The new trunk line will handle transatlantic, Burin Peninsula and Canadian and United States business. The existing telephone lines will operate as at present. The power for the transatlantic cable will be furnished by the United Towns Electric Company from its power plants at Lawn and Victoria.

Negotiations are already said to be under way between the American Telephone and Telegraph Co. and the British post-office department to arrange for the adminstrative and other features of the proposed service. When an agreement has been reached the contracts will be let for the manufacture of the cable. It is expected that the whole project, including the cost of equipment, necessary repeater stations and auxiliary wire lines, will be in the neighborhood of fifteen million dollars.

Rates Not Fixed

The question of rates has been discussed, but not fixed. The cable company for the purpose of fixing rates consider Newfoundland as if it were connected with land lines only. The telephone rates will be adjusted on the same basis. The rate to Halifax for three minutes will be half of that to New York and that to Sydney appreciably less than that to Halifax. By way of illustration the cost for three minutes conversation over the land lines from New York to San Francisco, say 5,000 miles is $8 and from New York to London over the radio, a distance of about 3,000 miles is $30. So when the rates are fixed Newfoundland will be quoted rates as if it were linked by all-land lines.

Purity Biscuits Benefits by New Gas Installation

Purity Factories, Ltd., of St. John's, biscuit manufacturers, has been steadily making headway in its local market since taking over the F. B. Wood Mfg. Co., established in 1924.

Last year a new gas-fired bakery was installed, and all mechanical equipment such as mixers, pulverizers, dough brakes, etc., is of modern design.

About 20 per cent of the company's output consists of chocolate-coated biscuits, although the range of products includes "Digestive," "Marie," English soda biscuits and crackers, as well as all kinds of candies.

Some idea of the operations of the company may be gained from the fact that 70 people are at present employed, while when the new bakery is running at full capacity this number will be doubled.

Time Still Favors Colony's Fishermen

"Although fishery research might have been started in Newfoundland before now, I believe time is still on your side," said Dr. Harold Thompson of the Empire Marketing Board to a group of Newfoundlanders recently. Dr. Thompson is this year conducting a scientific investigation into the fishery resources and industry of the Colony.

"I believe time is on your side because of the strength of your strategic position, your fishing grounds lying in an area where there exists that interplay of warm and cold water current systems which we know gives rise to teeming life in the sea. A well-planned and well-executed scheme of research will teach you how best the resources of the grounds can be exploited without their being impaired."

VALUE OF SALMON AS MONEY SOURCE NOT APPRECIATED

Expert Appraises Famous Streams of Newfoundland, Labrador

That the salmon fisheries of Newfoundland and Labrador constitute a valuable asset that is only now being utilized as a source of wealth to the community, is the opinion expressed by W. L. Calderwood, who during August, 1930, made a series of investigations into the inland fisheries of Newfoundland with particular reference to salmon.

Mr. Calderwood since 1898 was inspector of salmon fisheries for Scotland, resigning the post about eighteen months ago. Early in 1930 after his retirement he visited the Restigouche River, New Brunswick, by request, and made a report on the salmon position there. Later he was invited to visit Newfoundland and while there to make a study of its inland fisheries. His report is the result of this investigation conducted in co-operation with the Games and Inland Fisheries Board.

No Serious Decline

"Newfoundland," says Mr. Calderwood, "is fortunate in that she has not yet seen any serious decline in her salmon fisheries. In the eastern states of America, the once famous salmon rivers are now worthless. In Eastern Canada where salmon used to penetrate the St. Lawrence to rivers beyond Toronto including the Niagara, these fish are now unknown west of the Saguenay below Quebec. In British Columbia, the stock of fish in the Fraser River was considered inexhaustible. At the present time, a prolonged investigation is being made in order to decide how the serious decline can best be overcome.

"It is easier to preserve than to restore. In Scotland it took many years to restore the Dee after a long period of over-netting. In England, it took nearly forty years to restore the Wye which is now one of the finest salmon rivers in Britain. Also it has to be remembered that a process of this sort is extremely costly. If only the natural surplus from the breeding of the fish is captured by net the fisheries become stable. If more than the natural surplus is removed from the nets the fisheries begin to decline. This is axiomatic but the progress of decline is usually so very gradual that the decline is apt to be unobserved.

More Fish in The Sea

"The Atlantic salmon goes to the sea to feed and its return from the sea is irregular. It may remain one, two, three or even four years in the sea before it returns to spawn and the fish is an infrequent spawner. There is always more fish in the seas than in fresh waters and this fortunate circumstance tides over periods of accidents in fresh water when from whatever cause young fish may be killed or spawning destroyed in a bad winter.

"In Newfoundland it is clear that many of the small fish may be relatively old in many rivers. Comparatively few rivers have runs of large fish in any general way. The Humber, Harry's Brook, the Codroys, Exploits, Gander and Gambo have all produced fish over 40 pounds. The stock of fish in the 1930 season was good and the condition excellent. Salmon from Labrador appeared to show a higher average weight than fish in Newfoundland. The Labrador fish are of very fine shape, appearance and quality. The spawning season in Newfoundland is in late October and early November and that in Labrador rivers is earlier.

"There are three leading factors which usually have to be considered for the preservation of the salmon fisheries: (1) the securing to the fish of a free ascent in rivers; (2) freedom from pollutions which deter the ascent of fish, foul the gravels in which they spawn and kill the food upon which par and fry feed; (3) the adequate regulation of the catching power. The first point is an important one in Newfoundland where so many rivers have falls. To open up rivers so that spawning grounds above falls become available to fish is one of the most important ways of increasing the available stock. In Newfoundland also so far as I have had the opportunity of observing, many rivers do not have very much spawning ground in their lower stretches. I may add that in a country like Newfoundland it does not appear to me that any policy of artificial hatching need be contemplated. The natural facilities are so numerous, the rivers so frequent along the coast that if the fish are able to ascend to the spawning grounds in the upper waters, natural production can be safely relied upon.

"In recent years the growing industry of sending frozen salmon to London or elsewhere has developed. I am not in a position to state what amount of frozen salmon can be dealt with and the proper balance of the existing stock of salmon maintained, but it is of interest to note the rapid rise of fish sent to London in recent years, especially in the last two years.

Fish Received in London from St. John's

	cwts.
1920	2,121
1921	5,274
1922	4,431
1923	9,103
1924	7,547
1925	2,967
1926	6,054
1927	8,019
1928	9,395
1929*	30,000
1930*	50,000

*Estimated.

"The revenue from the 1930 catch will be about $500,000. The direct benefit of the 1930 catch to fishermen and allied local trades who make salmon boxes in Newfoundland is probably in the neighborhood of $320,000 if we allow only 5.5 cents per pound as the price of fish paid to the fishermen. The fish are for the most part packed in ice at St. Johns and are there frozen and shipped to London.

"The condition in which the fish are received from the fishermen is of primary importance. If the fish are bruised from rough handling or in a rather stale condition no freezing will produce a good marketable article. Those who freeze the fish are well aware of this. I mention it because it appears to be insufficiently appreciated on the part of the fishermen."

Hotel Facilities Are Up to Date

Excellent hotel facilities are provided for the tourist or business visitor to St. John's, Newfoundland.

The largest of these is the Newfoundland hotel, built nearly five years ago under a government guarantee. This property, although providing splendid accommodation from the visitor's point of view, has not been a financial success, with the result that tenders were recently called for its purchase after bond interest had been defaulted. No definite information as to the results are available, but it is believed that the Government will take the property over. It has 200 rooms and is fireproof throughout.

The Crosbie Hotel is well-located in the heart of the city and is operated on the American plan. Another excellent hostel is the Cochrane Hotel, which boasts of its homelike atmosphere.

At Corner Brook the International Power & Paper Co. operates the Glyn Mill Inn, while at Harbour Grace there is the Cochrane Hotel, The Empire House and the Gracian Hotel. Sportsmen's hotels are operated at various parts of the island during the fishing and tourist season.

White Clothing Co. Enjoys Island-Wide Distribution

White Clothing Co. of St. John's is a leading clothing manufacturer whose chief output consists of overalls, mackinaws, and shirts, in addition to men's and boys' ready-to-wear clothing. The company also does some custom tailoring.

A large importer of woollen and cotton goods, chiefly from Great Britain and the United States, the company has connections with different points throughout Newfoundland for the distribution of its products.

Special Newfoundland Section in Post Business Year Book

Other Important Subjects Covered
- The Business Outlook
- Capital Investments, 1930
- Canadian Market Survey
- Analysis of Basic Industries
- Analysis of Industrial Progress and Outlook for Each Industry
- New and Detailed Population Survey and Map
- Canada's Trade Relations
- New Section on Foreign Branch Plants
- Taxation
- Public Finance
- Stocks and Bonds

THE seventh annual volume of The Financial Post Business Year Book is now available and nearly 7,000 copies have been received by appreciative subscribers. Hundreds of letters which have come to us from organizations and individuals in Canada, United States, Great Britain, France, Germany, South America and elsewhere express pleasure at the great amount of exceedingly useful and valuable information which this volume contains on the economic position and business possibilities in Canada and Newfoundland.

This year as before a special section of the book is devoted to Newfoundland, outlining the latest developments and present opportunities.

If you haven't arranged for your 1931 copy, use the coupon below. Every well-informed person will get much out of this clear and well-told account of economic progress in Canada and Newfoundland during the year 1930, as given in The Financial Post Business Year Book.

SECURE THIS VALUABLE BOOK

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Attached is $2.00. Please send me postpaid a copy of The Financial Post Business Year Book, 1931.

Name ....

Address ....

661

HARRIS and HISCOCK Ltd.
St. John's Newfoundland
Import and Export Freight Forwarders
WHOLESALE HARDWARE

SHIPOWNERS & GENERAL MERCHANTS
Exporters of
Cod fish, Cod oil, Lobsters, Herring, Salmon, and Squid, Etc.
Importers of
Dry Goods, Millinery, Boots, Shoes, Rubbers, House Furnishings, Men's and Boys' Wear, Provisions and Groceries, Feeds, Etc. Miners' and Loggers' Equipment.
Operating 4 Large Stores on Water Street
Agents for "The Northern" Fire Assurance Co. of London, England
Agents for "BURBERRY" of England
Branch Stores at — Bell Island, Marystown and Greenspond
JAMES BAIRD Limited, Baird Buildings, Water St.
St. John's - Newfoundland

Do You Know
That Purity Factories
Limited
St. John's, Newfoundland
Is always open for quotations from any Canadian manufacturer.
Our lines are—
Biscuits
Hard Candies
Chocolates
Jams and Aerated Waters
Card Board Boxes
Labels, Cartons
Bottles Etc.
PURITY FACTORIES
LIMITED
St. John's, Newfoundland

"Victory Brand" Clothing
is to be found in every part of the Island of Newfoundland. Its makers are specialists in meeting the needs for men's and boys' clothing.
The White Clothing Company, Ltd.
Factory and Office: 321-323 Duckworth Street
St. John's, Newfoundland

Newfoundland! Vacationland!
Sporty Salmon and Trout
Delightful Weather, Splendid Highroads
Beautiful Scenery
Local and Long Distance Telephone Lines at your service at all points on Avalon Peninsula
THE AVALON TELEPHONE COMPANY, LTD.
HEAD OFFICE : ST. JOHN'S, NEWFOUNDLAND

Visit America's Newest Playground

Newfoundland..

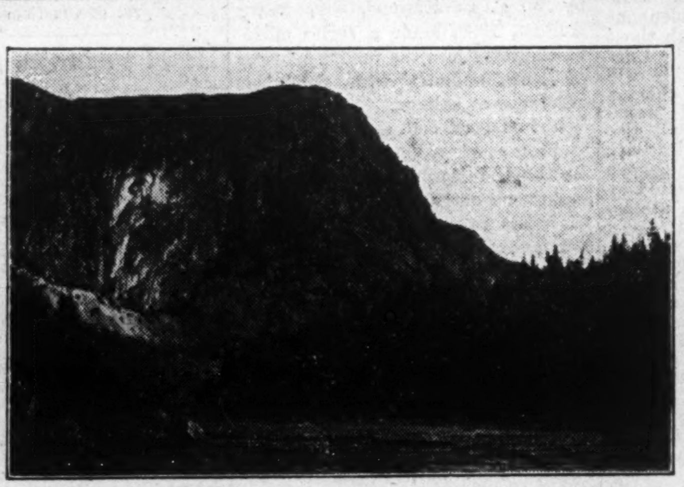
land of picturesque beauty and romantic charm

YEAR by year the trek of sportsmen and lovers of natural beauty to Newfoundland is gaining in numbers. The oldest of Britain's colonies has become the newest playground of North America. In this unspoiled vacation-land, the summer visitor finds his dreams fulfilled. There are the finest of fishing, especially for that king of the rivers, the salmon; rugged, natural beauty; a stimulating climate; a bracing ocean voyage each way; comfortable and modern accommodation; interesting people to meet; improved roads to motor on; and freedom from irksome passport or customs regulations. If you have not seen Newfoundland, treat yourself this year to the finest vacation you have ever had. Come to the Ancient Colony and fill your storehouse of memories and your kitbag of health.

Government of Newfoundland
Government Offices
ST. JOHN'S

Above: Fishing boats in harbor. A different life and a breath of salt air greets you at every turn in Newfoundland, a land that has been settled by white people longer than any other on this continent. Customs are quaint and the beauty of the scenes are striking.

Left centre: The ocean surf in a Newfoundland bay. Photograph by W. R. McAskill, Halifax.



Right centre: The Humber, a famous salmon river that delights both the sportsman and the lover of majestic natural beauty. Photo by W. R. McAskill, Halifax.

Below: A waterfall in Bowring Park, a natural scenic playground in St. John's.

Magnificent Scenery

The appeal of Newfoundland is the appeal of Nature. Six thousand miles of rugged coastline have given the island the name of the Norway of the new world. Miles of flashing streams; stretches of silvery beaches; stands of noble conifers; interesting villages — these await the lover of beauty.

The weather is warm on summer days; the nights are cool. Sea breezes sweep the Island.

In and about the city of St. John's one finds notable contrasts between the metropolitan banking and business offices and the fine marine drive, beautiful Bowring park, quaint Quidi Vidi, rolling Bally Haly golf course and fleets of fishing vessels.

Easy to Get There

It is easy to get to Newfoundland from anywhere in Canada, the United States or Great Britain. There are steamship services direct from New York, Boston, Halifax, Montreal, Quebec, Liverpool, Charlottetown and North Sydney.

Those who wish to take the overland route through the heart of this new land of scenic appeal will find the railway spanning the island, modern and efficient. It makes connections at Port aux Basques with its own steamers linking with the Canadian mainland at North Sydney.

One may choose a sea voyage or a combination of sea voyage and land route and find access to Newfoundland's vacationland as simple as it is interesting.

Excellent Motoring

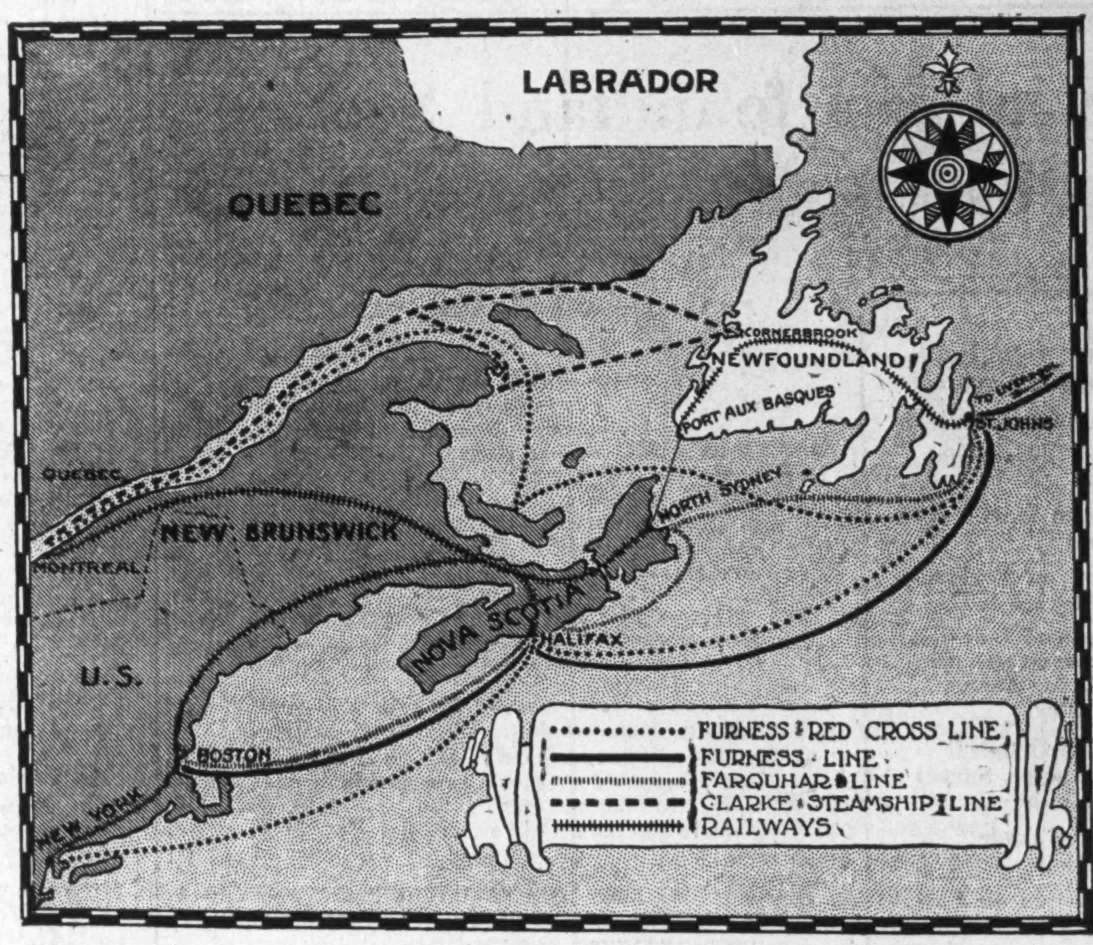
Newfoundland is engaged in a program of highway improvement that has proceeded so far that excellent motoring is insured to those who bring their own cars or rent cars for their stay. Over 800 miles of improved highway exist, reaching out into all points in the beautiful Avalon and Burin peninsulas and elsewhere in the island. High gulches are spanned by modern concrete bridges. The highways skirt, in many cases, the coastline, unreeling in turn scores of the most amazing views of high cliffs and low, far flung beaches. Motoring makes Newfoundland a vacationland for the whole family.

Notable Fishing

From coast to coast in Newfoundland the fisherman and the hunter find their paradise. One-third of the surface of the island is fresh water. In these lakes, rivers and ponds, salmon and trout abound; salmon that reach up to forty pounds, and trout of half a dozen varieties. Regulations for non-resident fishermen are simple and are designed to encourage visits from anglers from outside the country.

Fishermen's lodges and excellent inland hotels are scattered widely.

The best fishing locations are well charted and the sportsman can obtain all necessary information from the Tourist Bureau, the hotels, the steamship companies, the Newfoundland Railway, etc.



Near, Yet Off the Beaten Path

LITTLE PROGRESS FOR AGRICULTURE IN NEWFOUNDLAND

Short Season and Poor Communication Partly Responsible

A short growing season, poor communication and lack of intensive cultivation prevents agriculture from making much progress in Newfoundland. Practically the entire requirements of the island are imported, in spite of exceedingly high tariff walls on practically every article entering the Dominion.

Whether or not the extension of highways throughout the Dominion will prove an incentive to greater agricultural development, or not, remains to be seen. J. S. Downey, minister of agriculture and mines, reports that a greater interest is being shown in agriculture and practically all the easily accessible lands, namely, those that can be reached by local or main line roads, are under cultivation or being taken up. Mr. Downey looks to the time when the extension of local roads system in the districts best adapted to agricultural developments will have markedly beneficial results.

Latest available data of livestock and farm products in Newfoundland is found in the figures prepared at the inter-decennial census in 1926. This census placed the total value of livestock and farm products in that year at approximately $9,461,000, which is considered to be a much more accurate figure than that taken in 1921, at the time of the last regular census.

Some idea of the actual production of agricultural products and livestock, together with similar items showing imports of grain, meat and miscellaneous food products are appended below. These give a bird's-eye view of the domestic and foreign trade position of the country as far as agriculture is concerned. The data is the latest available.

Agricultural Production, 1929

Wheat, barley and oats	bus.	10,000	$ 4,000
Hay	tons	47,000	1,175,000
Potatoes	bbls.	890,000	1,072,000
Turnips	bbls.	61,000	122,000
Other root crops	bbls.	4,500	15,750
Cabbages	heads	6,000,000	720,000
Garden fruits, strawberries, plums, currants, etc.	gals.	16,000	*9,600
Milk produced	gals.	8,100,000	4,050,000
Butter produced	lbs.	650,000	325,000
Wool	lbs.	240,000	72,000
Poultry		260,000	130,000
Eggs	doz.	1,161,000	460,400
Cattle killed for food		8,400	680,000
Sheep killed for food		32,375	323,750
Swine killed for food		9,814	196,280
Statement of Livestock			
Horses	No.	16,300	$1,630,000
Cows	No.	18,100	1,588,500
Other horned cattle		9,400	658,000
Sheep		93,000	930,000
Swine		12,000	240,000
Goats		14,200	142,000

*@60c. gl.

Importations of Grains and Food Products Year to June 30, 1929

		Total Imports	From Canada
Grains:			
Oats	bus.	653,821	632,521
Value	$	424,058	411,675
Beans	lbs.	2,089,381	197,123
Value	$	119,364	13,964
Flour	lbs.	371,273	332,067
Value	$	2,585,778	2,274,768
Corn meal	bbls.	25,669	18,817
Value	$	114,203	84,170
Oil cake, bran, etc.	lbs.	7,977,673	5,049,054
Value	$	171,164	106,720
Meats:			
Fresh meat	lbs.	2,725,093	1,788,611
Value	$	389,040	299,576
Salted beef	bbls.	50,475	906
Value	$	591,250	100,149
Miscellaneous:			
Butter	lbs.	523,569	466,728
Value	$	208,785	186,918
Cheese	lbs.	620,268	608,081
Value	$	139,980	135,294
Eggs	doz.	204,442	123,747
Value	$	79,324	48,882
Apples	bbls.	30,364	23,621
Value	$	114,889	92,585
Canned Milk	lbs.	2,863,580	1,453,180
Value	$	265,685	145,000
Vegetables	$	192,037	104,517

Standard Manufacturing Operates Paint Works

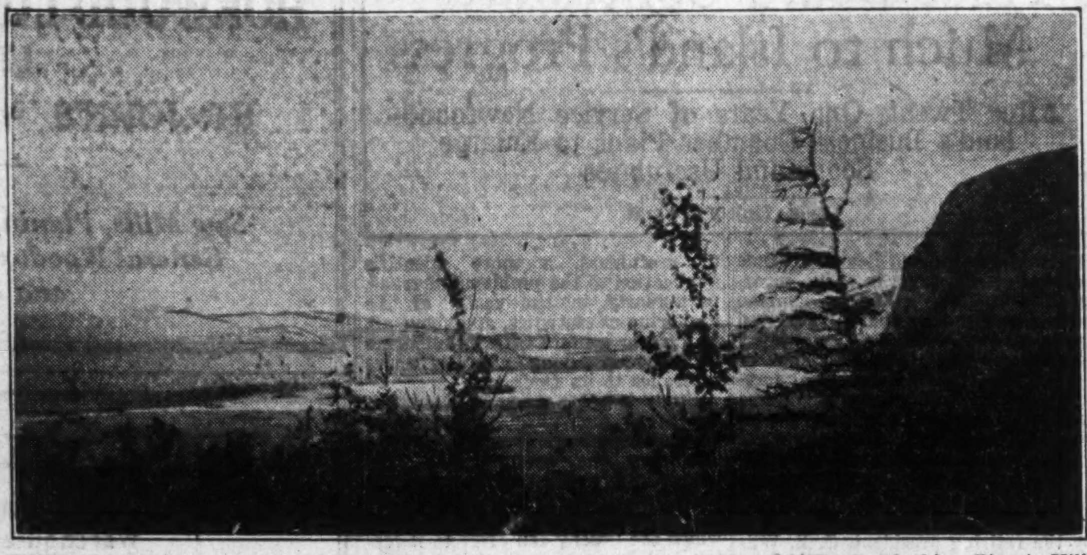
Standard Manufacturing Co. was incorporated twenty-nine years ago and during that time has made steady progress in the manufacture of paints, enamels, etc. and oiled clothing for fishing purposes, as well as covers and leggings. Light and heavy weight coats are also made.

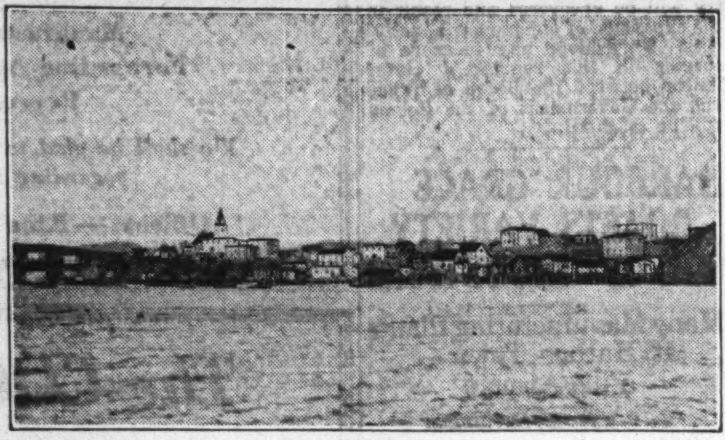
The paint plant is self-contained and makes its own containers, while the latest mills are installed from time to time.

This plant caters entirely to local requirements and makes a close study of climatic conditions.

The capital of the company was subscribed locally. Number of employees averages about 50 people.

Scenic Beauty Attracts Tourists to Island





ABOVE: Overlooking Piper's Hill River. BELOW: Starting point of motor boat tour described in Mr. Jeffery's article — Arnold's Cove.

Colony's Coast Line Proves Ideal Location For Motor Boat Tour

Two Thousand Miles of Magnificent Bays and Harbors

FISHING ABOUNDS

While Nature Lover Can Find Endless Delights Via the Motor Boat Route

By C. E. A. JEFFERY

Possessing a coastline of over two thousand miles pierced by many magnificent bays, and indented throughout almost the whole of its length with harbors and coves that ensure shelter at short intervals, Newfoundland is admirably suited for motor boat cruising.

Bold headlands and beetling cliffs which form the outer bulwarks of the Island give no suggestion of the tranquil waters that in some parts penetrate eighty or ninety miles inland, or of the wealth of forest that clothes the numerous islands with which the bays are studded and the valleys that slope down from the interior. Fogs, concerning which dread tales are told by navigators who traverse the banks many miles from land, are seldom encountered in these secluded bays and inlets, and the voyager has nothing to fear from the effects of sea-sickness. With a sufficient knowledge of navigation to follow the directions of the chart, he can be his own skipper, but for various reasons it is advisable to engage a local pilot, who can be procured at a very reasonable cost and is always ready to make himself useful in other ways as well.

Choice of Routes

For a holiday cruise of this kind, either the waters of Fortune and Placentia Bays on the South Coast or Bonavista and Notre Dame Bays on the North Coast will be found the most attractive both from the point of view of extent and of the variety of attractions. Motor boats of seaworthy qualities and with sufficient accommodation for parties of three or four people are obtainable at one or other of the larger settlements, and arrangements for such can be made through the Newfoundland Tourist Bureau.

Setting out last summer for a two weeks' cruise in Placentia Bay, the writer and four others were enabled to visit many places which except by motor boat would be difficult if not impossible to reach. Many splendid rivers flow into the head of the Bay. North Harbor River and Come-by-Chance River are famed for their sea trout fishing. Further to the west is Piper's Hole or Swift Current. Drawing about five and a half feet, our motor boat was able to proceed up this magnificent stream for several miles and within but a short distance in the dingy of the first of the salmon pools in a long rapid where several fishermen could fish in comfort.

From the lower pool a trail leads to a series of magnificent falls about two miles above, and here are situated Vatcher's and Winter's pools, the dark swirling waters of which to the eye of the experienced angler at once give promise of the best of sport. What is always regarded by the lover of nature as by no means of secondary importance, he is off the beaten trails—for the present, at least. Already a highroad is pushing its way through this country, and before long it will be accessible by motor car from St. John's.

Sandy Harbor

About sixteen miles to the westward of Swift Current is the navigable estuary of Sandy Harbor River. A tortuous channel enables the motor boat to be taken for some distance toward the river mouth proper, but the navigator is advised to await low tide before proceeding any distance, as this land-locked harbor is shallow for the most part, and to ground at high tide might lead to considerable difficulty in refloating the vessel.

By means of a row boat, the way to the first fall in the river leads through a narrow arm of water shut in on both sides by steep hills, clothed to their summits with spruce and fir and birch. Here in the heart of nature even the sound of the oars in the rowlocks seems a desecration. Disturbed by the intrusion, the duck with her brood scuttles across the calm surface into a safe retreat. A harbor seal, basking in the sun on a rock, rears itself suddenly, catches sight of the intruders, and dives out of sight with a resounding splash. Overhead, the jays chatter to all and sundry that their domain has been invaded, and having succeeded in scaring everything else away, hang around awaiting the scraps flung to them after the first meal has been served.

Ideal Camping Grounds

A fall of considerable height is formed where the river breaks its way through the hills. Beneath it is an extensive salmon pool which may be fished either from the boat or from either shore. A more ideal spot for a camping ground could scarcely be conceived. It has everything that could be desired—solitude, which the hills rising steeply on either side make all the more impressive, beautiful scenery, and sport par excellence.

Further out the Bay are other rivers, and one particularly famous stream, Cape Roger. Then, if the voyagers seek sport of an even more exciting nature than salmon fishing, the opportunity offers. Throughout the summer, Placentia Bay is the resort of schools of tuna. So far, the capturing of these giant fish has been for the most part by means of a harpoon, but attempts made last year to secure them with improvised rod and gear were successful—that is, successful to a certain extent that they promptly took the bait, and then in a brief but terrific struggle left the angler with little else but the butt end of his rod.

Many Other Towns

Fortune Bay with Hermitage Bay within easy reach is another resort which can best be toured by motor boat. Such salmon rivers as Garnish, Bay de Nord, Long Harbor, and Conne, where is located the only settlement of Micmacs in the Island, all assure the angler the best of sport, while the picturesque settlements and the endless variety of scenery could scarcely be excelled anywhere. The South Coast is as yet practically an unknown tourists' paradise.

In Bonavista Bay and also in Notre Dame Bay the voyager in a motor boat may cruise for weeks through the numerous islands and narrow sounds without exhausting the numerous attractions that offer. Into these bays empty rivers long held to be among the most famous of the Newfoundland salmon streams—the Gambo, the Gander, Terra Nova, Exploits—what thrilling fights with the king of fish these names recall to sportsmen the world over! In these bays, too, are to be found the tuna, which in the near future will prove as great an inducement to anglers desirous of pitting their skill against the strength of these mighty monsters of the sea as already the gamey Newfoundland salmon draws the sportsmen to her shores from the countries on both sides of the Atlantic.

Historian Records Contrast of Decades

Twenty years ago, J. D. Rogers writing of Newfoundland in a series of historical geographies of the British Colonies, said: "Newfoundlanders are men of one idea and that idea is fish. There is no civilized nation in the world which is so marine in its character as Newfoundlanders; they are wedded to the sea and their children's eyes change color with the sea. Cod, seals, herrings, whales and the clownish lobsters mold their destiny and their path to reality lies through a life dedicated to the sea."

Today the same geography has been republished and finds Britain's oldest colony budding forth into a varied industrial life with minerals, pulp and paper, tourists and many other valuable sources of revenue playing their part in the Dominion's economic life.

CHEFS TEST SKILL ON NEW PRODUCT OF NEWFOUNDLAND

Frozen Salmon Said to be Fresher Than New-Caught Fish

Not long ago 20 chefs of leading London hotels were invited to Fishmonger's Hall to test specimens of brine-frozen salmon from Labrador and fresh-water salmon from Great Britain. Fifteen out of the 20 decided that the Labrador salmon was fresher, which tells in a nut-shell the secret of the fresh-frozen salmon business which is now becoming an outstanding industry of Newfoundland.

Just what this new development means to Newfoundland may be further realized in the following quotation from the Rt. Hon. Lord Morris, K.C., an outstanding Newfoundlander who states that ten years ago there was not a pound of fish, salmon or cod with the exception of the canned articles, marketed in Europe from Newfoundland. "Today, as I write, the Hudson's Bay Company in conjunction with Job Bros. and Co. of Newfoundland and Liverpool, merchants, are unloading from their ship, "The Blue Peter," in the Thames, 1,500,000 pounds of salmon—nearly 700 tons—taken a few days ago off the coast of Newfoundland and Labrador. The fish came over killed in brine, not cold storage, and without suffering in the slightest degree in its tissues, freshness or flavor.

"'The Newfoundland and Labrador salmon is precisely the same fish as the Scotch, Irish and English salmon selling today in the English market all coming out of the Atlantic Ocean.

"I have practically all my life, in season, eaten the Newfoundland salmon fresh from the sea as well as what I and others have caught in the rivers and cooked when camping out and I have eaten some of the fish from the Blue Peter and I have no hesitation in saying that I find no difference whatever in freshness, flavor or taste of the two articles."

In recent years according to latest trade returns between 1,500,000 and 2,000,000 pounds of fresh salmon has been exported from the colony thanks to efficient cold storage plants in St. Johns and two floating factories employed in the production and preparation of this fish. The floating factories are "S.S. Blue Peter" mentioned above and "M.S. Sunset Glow" belonging to Harvey and Company, Limited.

The only unfavorable aspect of this situation is that unfortunately the market was unable to absorb the large quantity produced in 1930 and a large percentage of 1930 production had to be held over in cold storage in England awaiting sale. This condition of affairs, it was expected, would affect the amount of salmon required for export during 1931, although it was felt that ways and means could be devised of disposing of this surplus production in time to enable the operations to be continued during 1931.

SALMON TRADE MAY POINT WAY TO OTHER GROUPS

Co-operation Shown in Fish Exports Needed in Other Lines

There is very little question that the greatest problem facing Newfoundland today is the remunerative prosecution of the fisheries, and the encouragement of the fishermen to continue to engage therein. The expression "the fisheries includes the merchants as well as the fishermen—the men who supply the capital to enable the fishermen to prosecute the fisheries as well as the men who catch and cure the voyage.

Seldom during the past hundred years has it been more clearly demonstrated that the mutual co-operation of merchant and fishermen is essential for the success of both in the fishing industry of Newfoundland than during 1930.

When the phrase, "prosecution of the fishery," is used in Newfoundland it is commonly understood to apply to the salted codfish industry, and until recent years it was in fact, restricted in its application to the catching, curing and exporting of codfish.

Fresh Salmon Industry

In recent years good progress has been made in the development of other branches of the fisheries, particularly in the export of fresh salmon, which is mainly due to the initiative of Job Brothers & Company, who are the pioneers in the export of frozen salmon from Newfoundland.

Thirty years ago the total export of fresh salmon was 134,766 pounds, valued at $10,267. Last year the quantity thus exported reached, roundly, 4,000,000 pounds, valued at $600,000.

In 1925 the Hudson's Bay Company began experimenting in the packing of frozen salmon, lobster, codfish, and halibut at their stations on the Labrador Coast, and met with encouraging success in their trial shipments to England.

Co-operation Profitable

In 1927 they amalgamated with Job Brothers & Company, and the combined capital and equipment of the two companies made the prosecution of this industry on a larger scale possible, and more profitable to both, and at least sixty per cent of the total export of frozen salmon last year was handled by this company. The capital investment in this industry by this one firm alone is approximately $800,000, besides a heavy overhead expense yearly. The plant used for the putting up of chilled salmon is subject to rapid depreciation, and the general risks of the business are very great.

S.S. "Blue Peter," which may properly be described as a floating cold storage factory, is equipped with the most modern refrigerating machinery. She carries a crew of 100 men for whom ample accommodation is provided while employed each season. The company also has three smaller ships, each fitted with refrigerating plant, serving as collectors of salmon for the "Mother Ship," Blue Peter. At points along the coasts of Labrador and Newfoundland the company has established freezing stations where the salmon delivered fresh from the fishermen's nets are prepared for the collecting steamers to be taken to the Blue Peter, and by her direct to England.

Newfoundland frozen salmon is of such excellent quality that it has become a strong competitor with the Scotch and English salmon in the English market.

Conducted on the sound business basis on which it has been established under the direction of Job Brothers & Co., a large expansion of the industry within the next few years seems certain. It has already become a valuable adjunct to Newfoundland's commerce, and bids fair to take its place in the export fishery products second only to salted codfish industry.

AIR MAIL STAMP RECALLS HISTORY OF OCEAN FLIGHTS

World's First Air Mail Stamp Issued by Newfoundland in 1919

On January 2, 1931, Newfoundland issued its first permanent air mail postage stamp. The stamps were for the use of a new air mail service which was started as an experimental venture to provide six two-way trips from St. John's to towns and settlements in the Northern Peninsula.

There are three stamps in the series—a fifteen-cent stamp of brown color showing a dog team and komatik conveying mail with a spruce forest background as contrasted with the modern means of transit by aeroplane which is displayed overhead; a fifty-cent green stamp with the view of the entrance to St. John's Harbor, showing an old-time sailing vessel deeping in the narrows and overhead by biplane soaring over Cabot's Tower; the third stamp is a one dollar denomination of blue color showing the Atlantic Ocean between Newfoundland and the British Isles and recording by ten lines the route taken by various trans-Atlantic fliers from 1929 to 1927.

Recalls First Issue

The issue of these stamps recalls the fact that Newfoundland is said to be the first country to issue a special stamp for air mail. In 1919 during April, May and June there arrived at St. John's several parties who proposed to attempt to fly across the Atlantic. Arrangements were made to take a maximum of 100 letters and ten additional official letters to London and it was considered that the occasion warranted the conveyance of at least a congratulatory mail from Newfoundland the eastern-most point of the North American continent to the Old Country, 1,640 miles distant.

This letter mail carried a surcharged stamp. On the three-cent issue of the Cariboo Stamp of 1919 the following words were printed: "First trans-Atlantic Air Post, April, 1919." A portion of these stamps were used on letters the balance being disposed of at $25 each and the proceeds turned over to the Marine Disaster Fund. The plane left St. John's on May 10 in charge of Lieutenant-Commander Grieve and Pilot Hawker. They were missing for days and given up as lost but a week later a small Danish tramp steamer picked them up in mid-ocean 1,100 miles from the Irish Coast where they had been forced to descend after a 14½-hour trip out from Newfoundland.

The next attempt was a flight by Messrs. Raynham and Morgan who attempted to cross in a small machine from a point just back of St. John's. This kind of machine, however, was not able to rise with its load of fuel and crashed almost immediately. The letters it had aboard were later sent along by usual mail conveyance by steamer.

Alcock and Brown

On Saturday, June 14, 1919, Alcock and Brown made their famous attempt covering the distance of 1,880 miles in 16 hours and 12 minutes. The post office had prepared for this occasion by overprinting several thousand of the 15-cent Cabot issue stamped with the words: "Trans-Atlantic Air Post, 1919, $1." These were used on the 200 letters sent by mail and the balance sold to collectors.

For eight years after this successful flight, flying virtually ceased as far as Newfoundland was concerned until it was revived by a succession of trials in 1927, 1928, 1929 and 1930. The most interesting flight in that period was a trip with mails from Botwood on the Exploit River, Newfoundland to Cartwright, Labrador in March, 1923. Three bags of mail were brought from Cartwright and although no special stamps were used on the letters carried from St. John's to St. Anthony, they were rubber-stamped: "Per Air Mail."

The next air mail issue was on the arrival of Commodore De Pinedo, of Italy, at Trepassey, near Cape Race, Newfoundland, after his long flight from Rome to Africa and America. In his honor, the Newfoundland post office overprinted 300 of the 60-cent black stamps of the Cabot issue of 1897 with the words "Air Mail de Pinedo, 1927."

The last issue was in connection with the arrival at Harbor Grace on September 22, 1930, of the monoplane Columbia from New York via Charlottetown in charge of Captain Boyd and Lieutenant Connor, for a trans-Atlantic flight to London. On this occasion 300 of the 36-cents denomination of the Cariboo issue of 1929 were overprinted and surcharged as follows: "Trans-Atlantic Air Mail, via B. M. Columbia, September, 1930—50 cents."

Newfoundland Clothing Founded 20 Years Ago

Newfoundland Clothing Co., founded in 1895, has enjoyed a steadily increasing business necessitating three changes of quarters. Its present building, commenced in 1910, is equipped with the most modern machinery, and is the largest clothing manufacturing plant in the Island. A staff of over 100 is employed.

Stock is carried of men's and boys' suits, overcoats, mackinaws, overalls, windbreakers, shirts, etc., while a custom tailoring department is also maintained.

Yearly Tourist Flow Averages Nearly 8,000

While 1930 tourist traffic in Newfoundland showed a decrease of a little over eight per cent as compared with the preceding year, yet a total of 7,640 visitors was recorded. Of this number 1,084 were "in transit," and of the balance the majority, as might be expected, came from the United States.

The actual figures as given out by The Newfoundland Tourist and Publicity Commission were U.S.A., 3,846; Canada, 2,538; Great Britain, 129, and other countries, 43.

81 YEARS on the MARKET

Our Motto — MUNN'S GENUINE COD-LIVER OIL MADE IN NEWFOUNDLAND — The Best

Has been manufactured in Newfoundland since 1848

Every improvement in the manufacture has been initiated and plants are models of cleanliness.

NOW MANUFACTURED

HIGHEST GRADE MEDICINAL OIL
for human consumption.

BY-PRODUCTS OF FACTORIES

POULTRY COD LIVER OIL
for Hens and Chickens—Ducks and Turkeys.

CATTLE COD LIVER OIL
for Cows and Horses—Pigs and Lambs—Dogs and Foxes.

COD LIVER MEAL CAKE
A specialty made from the residue of the livers for mixing with Poultry Feed.

Every care is taken in the manufacture, and every portion of the Cod Liver is now utilized for food.

PRICES and SAMPLES on application to:

W. A. Munn, St. John's--Newfoundland
J. B. Gibsone, Distributing Agent—P.O. Box 993
MONTREAL

ADDITIONAL ISSUE
$300,000.00
United Towns Electric Co. Ltd.
6% First Mortgage Sinking Fund Gold Bonds Due 1951

Capitalization

1st Mortgage Bonds (including this issue)	$627,000
Preferred Shares series "A"	500,000
Preferred Shares series "B"	400,000
Common Shares	152,400

Security

Bonds are a first claim on assets valued in excess of $1,500,000, being equivalent to $2500.00 for each $1,000 Bond.

Earnings

Gross Earnings have increased from $82,208.73 in 1925 to $151,693.13 in 1930. Net earnings for 1930 were $95,242.34, over 2½ times interest charges on this Bond Issue.

PRICE: 100 and Accrued Interest Yielding 6%.

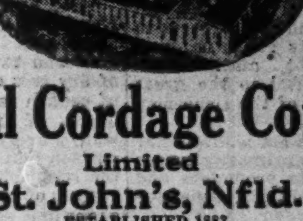
B. D. PARSONS & CO., LIMITED
WATER STREET ST. JOHN'S, NFLD.

LIME SHELL in Labrador

This company has been formed to market lime shell from its enormous deposits on tide-water in Labrador. Extensive examinations of the deposits have been made and a comprehensive study has been made of the market and sales methods.

You are invited to invest in this promising enterprise. Literature on request.

The Northern Products Company Limited
Smythe Bldg. - St. John's, Nfld.



Colonial Cordage Company
Limited
St. John's, Nfld.
ESTABLISHED 1883
Manufacturers of:
Cordage, all sizes and descriptions
Cotton Fishing Lines and Twines
Italian Hemp Fishing Lines and Twines
Herring Nets and Netting
Wrapping Twines
Distributors of Cutch, Oakum, Seine Corks
WHOLESALE ONLY

DEPARTMENT OF POSTS & TELEGRAPHS
St. John's,
Newfoundland
PHILATELIC BRANCH

Collectors Note

1. ON HAND: Full supply of "PUBLICITY ISSUE" — first placed on sale January, 1928. Denominations One Cent (and as required for regular postal ratings to Thirty Cent). Set consists of Thirteen Stamps (exclusive of obsolete Nine Cent and Twelve Cent). Designs consist of Royals, Local Points of Historical Interest Internationally, and Government Departmental Buildings. Price of Set, $1.46
2. ON HAND: Full supply of our first regular *AIR MAIL ISSUE* — placed on sale January of present year. This Set consists of Three Stamps (A) Fifteen Cent — Color Brown — Mail Courier with Dog Team, Aeroplane passing overhead; (B) Fifty Cent — Color Green — entrance to St. John's with Aeroplane leaving on first Trans-Atlantic Flight passing over Cabot Tower Signalling Station; (C) One Dollar — Color Blue — Coast Outline East and West Atlantic, with line of route of Major Trans-Atlantic flights to date. Price of Set, $1.65

Postage Extra — Ordinary, four cents; Registration, fourteen cents.
Send for copy of our Stamp Requisition Form listing all Stamps procurable through Philatelic Branch.

Satisfactory service assured.

Newfoundland's Foreign Cable Connection — Commercial Cable Company and affiliations.

Cable your Stamp Order *via COMMERCIAL.* Foreign connection of The Newfoundland Government Postal Telegraph Service — exclusive connections.

Address all Stamp Orders or requests in connection with Stamps to:

PHILATELIC BRANCH, GENERAL POST OFFICE, ST. JOHN'S, NFLD.

W. W. HALFYARD,
Minister of Posts & Telegraphs.

CODFISH BILL THOUGHT CURE FOR INDUSTRY

Newly-Fledged Measure May Prove Solution of Fishers' Ills

HAS OPPONENTS

Period of Transition Will be Hard for Fisher Folk But Ultimate Benefits Thought Good

One of the most important acts passed by the Newfoundland Legislature during the last session is that relating to the Standardization of Salt Codfish. The object of this act is to improve and standardize the quality of fish exported, and to attain this end no exporters will be allowed to operate without a license granted by the Government.

The act does not attempt to fix prices, but will, by means of a system of inspection, regulate as far as possible the grading of fish into the Nos. 1, 2 and 3 grades. It will ensure a No. 1 price for No. 1 grade for any and every curing station. This action of the Government is expected to create a greater confidence among buyers, it being claimed that the quality of the fish exported had been going downhill under the former tal qual system where no standard of quality was required.

The bill was introduced in the House as a non-party measure and sponsored by Sir William Coaker, the originator of the Fishermen's Protective Union of Newfoundland twenty-one years ago, and the organizer of an extensive trading company under the auspices of that union, and principal champion of the fishermen.

Sees New Era

Sir William declares that the act will inaugurate a new era in Newfoundland fishing which will rebound to the great benefit of the fishermen and exporters alike by regaining our former dominance in the Mediterranean markets, increasing and stabilizing the price in the home markets by improvement in quality which will create a wider demand for the product abroad.

This is Sir William Coaker's second attempt to regulate the export of salt codfish. In 1920, during Sir Richard Squires' first administration, he fathered a measure for the regulation of export of salt codfish which was enforced for several months and then abandoned because of popular disapproval of the act. Sir William maintained then, and still adheres to his opinion, that its strict enforcement, with slight amendments, would have redounded to the great and lasting benefit of the fishermen and country generally.

While the present act is dissimilar in many respects its primary purpose is the same, and its promoters and backers predict it will give relief for the fishermen's ills.

Chief Clauses Summarized

Summarized, the principal clauses of the act are:

1.—No person or firm shall export any salt codfish from Newfoundland until licensed as a fish exporter, and no export entry for export of salt codfish shall be valid unless such entry is made by a person duly licensed as a fish exporter.

2.—All fish for export must be inspected and graded by the official inspectors of the board.

3.—The board constituted under this act may make such rules, regulations, by-laws, and penalties from time to time as they may think proper or necessary.

4.—Any person, firm or body corporate shall be eligible for membership who operates a mercantile premises suitable for the storing, handling, and packing of salt codfish, or who not having such premises gives assurance to the satisfaction of the board that he will export not less than 2,500 quintals of salt codfish during the season immediately following the application for license to export.

5.—The board shall have power to make recommendations relating to culling, selecting, assorting, standardization and determination of different types of varieties of fish for foreign markets, and to the ensuring of suitability for the several markets; also the regulation or prohibition of the importation of salt used in the curing of codfish.

Two years ago the Government appointed a Salt Fish Commission to enquire into the curing and exporting of salt codfish, and submit their findings to the Government. During the session of the Assembly 1930 a bill was ready for introducing, but owing to difference of opinion thereon in the Government party it was not submitted to parliament. The same opposition to the new measure continued this year, hence the necessity of having it brought in as a non-party measure.

FAILURES REFLECT BUSINESS DECLINE

Comparative Figures for Past Ten Years Issued by Minister

In spite of admittedly bad business conditions during the past year the number of commercial failures in Newfoundland during 1930 numbered 52, a figure well below the average for the last ten years, although about 25 per cent greater than in 1929. From the standpoint of the aggregate of deficits, these were higher in 1930 than for any year since 1924.

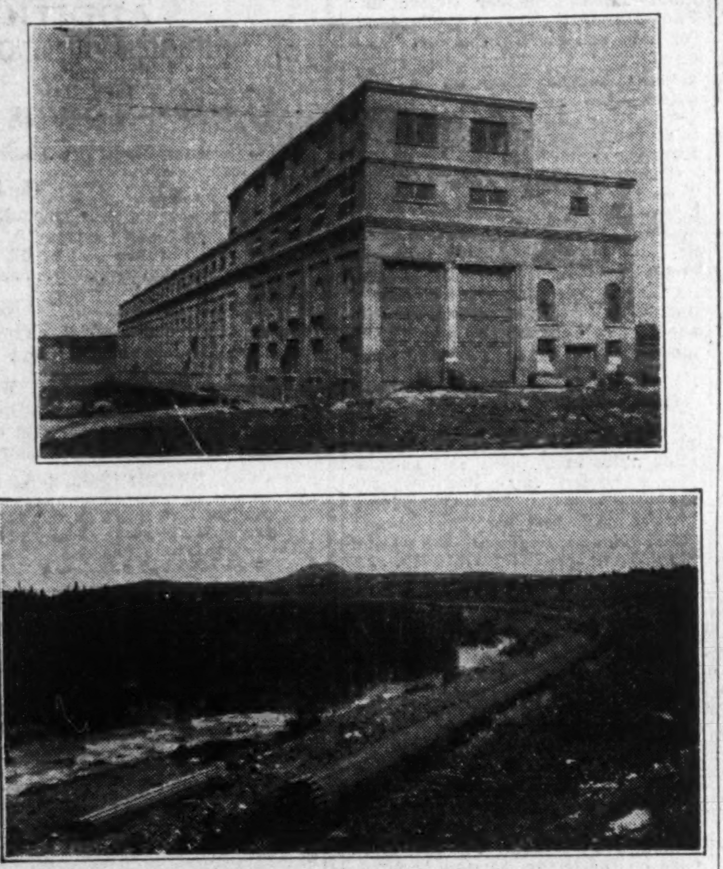
A comparative statement of business failures, as set out in the Budget Speech of Hon. P. J. Cashin, presented in the House of Assembly on April 22 last is appended:

Comparative Statement of Business Difficulties

Year	No.	Assets	Liabilities
1921	93	$3,697,368	$6,031,153
1922	79	763,933	2,106,975
1923	70	1,569,080	3,963,636
1924	48	486,299	1,885,544
1925	45	128,977	467,045
1926	52	175,566	679,409
1927	56	153,574	822,826
1928	31	341,060	560,155
1929	42	45,307	146,519
1930	52	633,957	1,628,315

Note:—In the above statement, liabilities are taken from statements submitted either at creditors' meetings or in the Insolvency Court. Assets have been reduced 50 per cent before deducting liabilities "as it seldom happens" states the report, "that when assets are realized on, they exceed over 50 per cent of their 'on paper value'."

Power Developments That Reveal Resources



ABOVE: Deer Lake power plant, which supplies power to Cornerbrook newsprint mill and Buchan's Mine. BELOW: Pipe line from Gull Pond to new Pierre's Brook development of Newfoundland Light & Power.

Sees New Prosperity When Fishing Industry Becomes Industrialized

Introduction of modern machinery, freezing, cold storage and fish meal plants, with modern smoke houses and mechanical dryers with chemical plants extracting more value from the entrails of the fish than is now obtained from their bodies, is seen as future destiny of the Newfoundland fishing industry by H. Herman Archibald, a keen student of the Colony's fisheries and resident of Harbour Grace.

"These plants," says Mr. Archibald, "will have associated with them large central hydro generating plants converting the valuable fish oils into the many edible oils so much in demand from other countries, where fishing has been industrialized.

"The average catch of codfish in Newfoundland is about one and a quarter million quintals of one hundred and twelve pounds per quintal of dry salt cured fish. This amount of codfish taken out of the immense bodies of fish that frequent these waters every year is so small in comparison that it only serves to indicate the regularity of the supply. These schools of codfish come right into the shore line, so that it is no uncommon sight to see them schooling around in shallow waters by the thousands.

"The fishing grounds may be said to be virgin, as the Newfoundland operation has up to date been only in the nature of a huge fishery preserve.

"Here then is a tremendous supply of codfish easily accessible that by the introduction of suitable modern industrial methods can be converted into an immense source of food supply, and at a cost low enough to meet all competition.

"There is no known codfish supply in the whole world to compare with that of the Newfoundland waters. The industry of catching and preparing this codfish for market has of late years fallen back in efficiency and management, while the world has gone ahead in every form of food production by modern methods of mass production. It needs but the introduction of capital and modern industrial methods to develop to the full these vast potentialities."

New National Flag Planned for Old Colony

A national flag for Newfoundland and colors for its shipping was provided for by a special act of the House of Assembly which prorogued a few days ago. No details are available as yet as to what form the new national emblem will take.

Other legislation included acts to change the title of colonial secretary to secretary of state and to create a minister of external affairs.

ST. JOHN'S GAS CO. REFINANCED IN 1930

U. S. Interests Take Over City's Lighting Company

During last year St. John's Gas Light Co., was refinanced and taken over by United States interests, and remodelling of the plant and plans for a much enlarged scope of action are now under way. Over 1,400 feet of new six-inch mains were laid in the last two months of 1930, while the new company has already made good progress toward increased production and a widened clientèle.

New separators have been installed with a view to stepping up the tar production, and the quality of the coke, another by-product, is reported to have been much improved by the introduction of more modern methods of production.

The company is planning a new showroom for gas appliances, and the outlook for the present year is regarded by the general manager, J. B. Steinhauer to be excellent.

Colonial Cordage Co. Adds to Outlets 1930

Colonial Cordage Co., established in 1883, has an extensive plant just outside the city of St. John's. Twine, fishing lines, nets, and cord of all descriptions are manufactured, the annual output being in excess of 12,000 miles of cordage.

A new field of business has been opened up for the company in the growth of the mining industry of recent years, the company supplying cable for various properties.

Plant and grounds in St. John's occupies an area of 39 acres, and employment is provided for more than 150 persons.

Canadian Exporters
Requiring first class
Representation in Newfoundland
will please communicate with us.
We have a sound and progressive Sales Organization covering the entire Island.
STEERS LIMITED
ST. JOHN'S, NEWFOUNDLAND

T. & M. WINTER
General Merchants
Flour, Beef, Pork, Feeds and Provisions of All Kinds
Agents for
Fire—Guardian Assurance Co., Ltd., of London, England
Accident—London Guarantee & Accident Co., Ltd., Etc.
ATWATER-KENT RADIO DISTRIBUTORS
ST. JOHN'S, NEWFOUNDLAND

FOREIGN TRADE AT NEW HIGH IN PAST YEAR

Import and Export Figures Reach Record Mark of $72,000,000

BALANCE FAVORABLE

Newsprint Makes United States Newfoundland's Best Customer With Canada Third

Foreign trade of Newfoundland made a further substantial gain for the fiscal year ended June 30, 1930, reaching a new high total of nearly $72,000,000, of which $40,000,000 was exports and $31,871,000 imports. Both imports and exports have shown a steady upward rise for many years now, the record being one of almost unbroken growth over the past eight years. For the past five years there has also been a favorable balance of trade, which reached a high point in 1930, when exports were over $8,000,000 higher than importations.

The following figures show clearly the growth of exports and imports over the past decade.

Exports

1922-23	$20,956,863
1923-24	21,071,571
1924-25	23,590,186
1925-26	27,563,213
1927-28	33,644,619
1928-29	36,797,703
1929-30	40,051,959

Imports

1922-23	$19,321,824
1923-24	27,677,182
1924-25	36,404,674
1925-26	27,552,305
1926-27	25,813,871
1927-28	27,637,193
1928-29	29,237,381
1929-30	31,871,151

Total Trade

1922-23	$40,278,687
1923-24	48,748,753
1924-25	59,994,860
1925-26	55,115,518
1926-27	56,653,730
1927-28	61,281,812
1928-29	66,035,084
1929-30	71,923,160

The steady rise in exports is due, of course, largely to the growth of the pulp and paper industry at Cornerbrook and Grand Falls. In 1924, when only the Grand Falls mill of the Anglo-Newfoundland Development Company was operating, newsprint paper exports were in the neighborhood of 60,000 tons per annum, while in 1929 the total had forged to nearly 250,000 tons, of which Cornerbrook exported 156,000 tons and Grand Falls 91,000 tons.

United States Best Customer

Due to these heavy exports of pulp and paper, United States ranks as the best customer of Newfoundland, with Great Britain second and Canada third. Next in order comes Brazil, to which country Newfoundland exports large quantities of dried fish, Spain and Portugal followed by Holland, Italy, Belgium and British West Indies. The following tables shows in order of importance the value of trade with these countries in recent years:

	$ *1928-29	$ *1929-30
Canada	11,832,415	12,992,600
United States	9,880,431	12,101,752
United Kingdom	6,211,906	5,527,675
Ceylon	257,671	262,032
British West Indies	282,440	191,675
Germany	122,954	140,146
Spain	174,236	132,995

	$	$
United States	11,530,990	11,432,918
United Kingdom	7,527,191	8,647,948
Canada	3,046,802	3,968,479
Brazil	3,539,489	2,990,472
Spain	2,492,054	2,748,547
Portugal	2,164,764	2,157,404
Italy	1,462,582	1,478,404
Holland	1,406,185	1,762,485
Belgium	262,345	1,390,693
British West Indies	1,179,528	1,168,638
Germany	534,707	997,580
Foreign West Indies	357,982	433,907
Greece	334,308	413,822
St. Pierre	77,506	246,923

*Fiscal years ending June 30.

Unfortunately no figures showing total trade for the last fiscal year are available, but it is not expected that there will be very much change from the tables quoted below, which give a bird's-eye view of the chief articles of foreign trade of the Dominion in the previous year:

Chief Exports

Total Fisheries	$16,031,735
Dried codfish	12,086,279
Herring	577,044
Salmon	290,883
Lobsters	331,341
Cod oil	498,132
Refined cod oil	492,763
Seal oil	422,614
Seal skins	444,198
Whale oil	421,416
Berries	432,721
Paper	14,884,032
Iron ores	2,621,610
Mineral concentrates	1,066,116

Chief Imports

Textiles and apparel	$2,987,565
Flour	2,535,778
Coal	1,775,231
Meat:	
Salted beef	1,082,886
Pork	591,250
Butter	208,785
Leather, etc.	590,438
Molasses	282,603
Tea	609,712
Tobacco	298,029

Bank Savings Hold up Well In Past Year

Savings deposits reported by Newfoundland banks for 1930 while showing a small decrease from the total of the preceding year, are nevertheless well above the average for the last five-year period at $26,233,818. The peak of savings was touched in 1928 when the figure was $26,489,565. The best and most consistent individual showing was made by the Bank of Nova Scotia with total deposits at December 31, 1930 of $9,547,458, which figure was in the neighborhood of $20,000 below the amount at the end of 1929.

Full comparative figures as at December 31 for the past five years are as follows:

STATEMENT OF SAVINGS DEPOSITS At December 31

Bank:	1928 $	1929 $	1930 $
Montreal	9,348,716	8,667,243	8,863,197
Commerce	1,018,484	1,300,988	1,255,912
Royal	4,511,170	4,516,687	4,540,824
Nova Scotia	9,448,728	9,567,602	9,547,459
Govt. S. B.	2,162,473	2,193,484	2,026,427
Totals	26,489,565	26,246,005	26,233,818

Trade Board Contributes Much to Island's Progress

After Twenty-One Years of Service Newfoundland's Business Chamber Plans to Enlarge Scope and Usefulness

By RAYMOND GUSHUE

The Newfoundland Board of Trade reached its majority in 1930. Incorporated in 1909, it has, in common with most such bodies, survived trials and tribulations, been guilty perhaps of the average number of errors, and achieved some real services to the country's trade and the country's affairs. A survey of its accomplishments throughout the years is somewhat of a revelation.

Such a survey was given in terse fashion at the board's coming-of-age dinner held early in the present year, by the retiring president, G. R. Williams. Through a bare recital of facts culled from the Board's records, he showed that many worthwhile reforms in matters commercial, effected at times with and at others without the aid of legislation, emanated from the Board of Trade.

Lacking the power to command or compel, and acting always purely as a vehicle of information and advice, it can claim more than a measure of useful and successive effort. Its greatest weakness has perhaps lain in its failure to advertise its activities properly—this has now to some degree been remedied, and the result has been a decided quickening of interest on the part of the public in the board's affairs.

No Legislative Power

The board has no power to legislate or bind any individual or body—its pronouncements are purely advisory action upon such being the province of those to whom it directs its recommendations. Its activities are mainly directed towards the assimilation and dissemination of trade information, local and foreign. In its rooms are kept a useful and up-to-date collection of the trade journals of many countries. Local figures and statistics are compiled and classified; comparative statements are posted regularly; publications and items of interest communicated from the various markets are given prominence. The board is associated with the Federation of Chambers of Commerce of the British Empire and with the Canadian Federation, and gains much from contact with these organizations.

The executive of the board, known as the "council," consists of the president, two vice-presidents, and twelve councillors, all elected to office by the board in general meeting, all serve without remuneration, the secretary-treasurer and his staff being the only paid officials. The council meets weekly. Through the council many sub-committees, consisting of members of the board, always with a councillor as convener, function. By this machinery much information, statistical and otherwise, is obtained, and acted upon. Beyond dealing with such matters arising from enquiries received, the council, with the aid of such committees, concerns itself with a study of problems affecting the trade of the country, culling its information at home and from abroad, and subjecting the whole to close scrutiny and debate. While the board cannot implement any of these conclusions by action, it can and does see that they reach those who are interested and able to do so. Much therefore of benefit to the country has had its source in a recommendation emanating therefrom.

Valuable Addresses

The board rooms are open, and its staff equipped to give any possible information to seekers. In addition they form a meeting place for members to exchange views and figures. From time to time addresses of note are arranged, where both members of the board and of the public may hear matters of interest and information. Such addresses are selective rather than regular, and because of this are always worthwhile. An example of such is the address by the president, C. C. Pratt, who represented the Newfoundland Board of Trade on the good will tour undertaken by Canada to the British Empire Fair at Buenos Aires, and by whose courtesy he was included in the delegation.

Two notable and recent instances of the board's activities, operating in divergent fields, may be of interest. When a great tidal wave following the most unusual phenomenon of a heavy earth tremor completely demolished the waterfront of a large section of the south coast of the island, the Board of Trade made use of its organization to interview His Excellency the Governor of Newfoundland, Sir John Middleton, arrange a public meeting, at which His Excellency presided, and from thence form a body which, in collaboration with the Government, raised funds, surveyed the stricken areas, and effectively brought order and hope out of chaos and despair.

Sponsored Standards Bill

The second instance is at present nearing fruition but may well be mentioned. The council of the present year, adopting a programme of standardization of the country's exports (sadly lacking in the past) turned its attention to the fishery problem. After much concentration and energy, and in co-operation with leading ministers, a Codfish Standardization Bill, acceptable to and holding great potentialities of benefit for the trade, was completed and placed before Parliament. The Board of Trade cannot, nor has it any desire to claim the contents of the bill as the fruit of its own brain—in the main the provisions had already been created and in print. But the task of smoothing out differences and of reaching the multitudinous conclusions, necessitating alterations here, amendments and additions there, so that the whole might be workable and palatable, was a tremendous one. In surmounting it, the board has completed a magnum opus which can be, and it is hoped will be, a real and lasting stimulation to the country's trade. These are merely instances of which there are many, in varying degrees, to be found throughout the twenty-one years of life of the Board of Trade.

For the future the board is aiming at an enlargement of its sphere of usefulness, a more scientific application to the problems of trade, particularly in the realm of the gathering of statistics, and above all, at a closer contact with its members by way of giving more effective utterance to its findings.

Study is being made at present of the scope and modus operandi of similar organizations with a view to extending the usefulness of the board. It is hoped that by means of such activities the abundant resources and financial advantages which the Colony can offer to industry will be uncovered and result in the expansion of our industrial activities. To achieve any measure of success in this regard, a closer liaison between the Board of Trade and the Government of the Colony will be essential.

HARBOUR GRACE BOASTS VARIETY OF INDUSTRIES

Many Manufacturing Plants at Harbor Town—Fine Airport

By H. HERMAN ARCHIBALD

Harbour Grace is situated centrally on the north side of Conception Bay, is blessed with a fine harbor surrounded with slopes and flats all contributing to the name of graceful harbor.

In the days of the flourishing Labrador and shore fishery Harbour Grace was a thriving centre of Newfoundland trade and is destined to again come into its own when the Newfoundland fisheries return to progressive activity. It is an ideal manufacturing centre having abundance of electric power from two companies both developed from water powers, communications are good by train, water and highroad.

Boot And Shoe Centre

For many years the boot and shoe industry flourished here and though at the moment somewhat reduced it is still the chief industry. Archibald Bros. Ltd., successors to the business of F. H. Archibald established 1879 in the manufacture of boots and shoes, is today one of the leading factories in the country. The Dominion Boot and Shoe Co., manufacture a line of men's street shoes as well as work boots for men and boys. They have a tannery of their own and thus they perform the full job of converting local raw material into the finished product.

The manufacture or rather the refining of cod liver oil is carried on, on a large scale, by Messrs. Munn and Squibb. W. A. Munn also carries on the manufacture of a special chicken feed, the product being derived from the pressings from the cod livers from which are extracted the medicinal cod liver oil.

Cooperage And Tinsmiths

A large cooperage is carried on by C. D. Garland and Son. They supply the general trade of the country with all classes of fish containers and the cod liver oil industry with outside casks into which the refined oil is shipped abroad in tin containers. In addition to this they have a box factory in which berry boxes and the various sorts of fish boxes are made to order. Two tinsmith shops are conducted here, one by C. S. Kennedy and the other by M. Martin, the latter is engaged largely in the manufacture of cod liver oil containers.

A modern marine dock is carried on as The Harbour Grace Marine Docks. The Newfoundland Whaling Co. has its mechanical centre here adjoining the Marine Docks. During the winter season their fleet of whaling steamers is put back into working condition for the succeeding seasons voyage.

Excellent Airport

The Harbour Grace airport is an excellent example of the public spirit of its citizens for when the need was felt for a jumping-off point to and from the old world, twenty citizens bought and organized the necessary property, which today is conducted on a non-profit basis, the services of its officers being given gratis to serve the cause of aviation.

This venture Harbour Grace citizens look upon as a national one and thus from the air lanes Harbour Grace means Newfoundland. The airport is operated by the Harbour Grace Airport Association of which Judge Casey is president and E. Simmons, secretary.

HORWOOD LUMBER COMPANY
LIMITED
ST. JOHN'S, NEWFOUNDLAND
Saw Mills, Planing Mills, Shop Finish, General Woodworking, Contractors and Builders

MARINE AGENCIES, LIMITED
Steamship Agents and Operators
Warehouses and Wharves
Manufacturers' Agents
Forwarding Agents and General Representatives
We shall be glad to attend to any enquiries regarding Newfoundland.
Offices:—King's Beach, St. John's

The COCHRANE

"Newfoundland's Most Homelike Hotel"
St. John's, Newfoundland
EXCELLENT CUISINE American Plan
BED-SITTING ROOMS WITH FIREPLACE

THE PENN'ORTH OF TAR

THE old precept about spoiling the ship for a pennyworth of tar applies with equal force to blasting accessories. There is no economy in jeopardizing all the labour and material of a shot with inferior blasting accessories.

C-I-L accessories, detonators, fuses, etc., are all formulated and manufactured with the same care that is given to the explosive for which they are designed to be used, and their small cost makes the use of any other an unjustifiable gamble.

Expert advice and speedy service of supplies is always available at any of the numerous C-I-L branch offices and magazines. Call upon them at any time.

"Everything for Blasting"

CANADIAN INDUSTRIES C-I-L LIMITED

CANADIAN INDUSTRIES LIMITED
EXPLOSIVES DIVISION
HEAD OFFICE: MONTREAL
HALIFAX MONTREAL TORONTO OTTAWA SUDBURY KIRKLAND LAKE TIMMINS
COBALT WINNIPEG EDMONTON CALGARY NELSON VANCOUVER VICTORIA
ET 19

BOWRING BROTHERS LTD.
ST. JOHN'S - NEWFOUNDLAND
Established 1811
STEAMSHIP OWNERS AND GENERAL MERCHANTS
LLOYD'S AGENTS
Importers of all General Merchandise
Exporters of Sealoil, Sealskins, Codoil, Codliveroil, Dry Salted Codfish, Salmon, Herring, Lobsters, and all other Newfoundland Products
Owners of the S.S. "IMOGENE"—Specially constructed for Ice Navigation
Open for Charter
Correspondents:
C. T. BOWRING & CO. LIMITED
Liverpool — London — Cardiff — Irlam — Grimsby
BOWRING & COMPANY, New York

Insurance for Buyer and Seller

ONTARIO TAXES PREMIUMS PAID ON LIFE POLICY

Value of Amendment to Succession Duty Act Qualified

AFFECTS SMALL ONES

Estates Which Benefit by Recent Exemption Provision Are Mostly Large Ones

Business men with small or medium-sized estates are somewhat disappointed to find upon analysis, that the recent legislation passed by the Ontario Government regarding exemption of life insurance which is earmarked and used for payment of succession duties, is not as advantageous as at first seemed to be the case.

The obstacle which counteracts to some extent this otherwise highly commendable legislation is that although life insurance made payable to the provincial treasurer and actually used to pay succession duties, is exempt from taxation, premiums paid on such insurance have first to be added to the estate, which often makes considerable difference where the estate involved is not large.

In effect the inclusion of this clause regarding premiums means that to get the fullest benefit out of the new provision an entirely new policy should be taken out at the lowest rate possible so that premiums paid thereon would be at a minimum at the time of decease.

As some difficulty has apparently been found in visualizing just how this recent amendment can be applied to the estate holder whose worldly goods would seem to be sufficient to warrant taking advantage of the new legislation, the following outline of the plan in actual practice may be of interest.

Suppose an estate is valued at roughly $200,000, of which $50,000 is life insurance. Last year the entire value of the estate in Ontario would be subject to succession duties. Now, a computation is made as to approximately how much succession duties will be, and a sum sufficient to cover the duty (in this case approximately $10,000, if the estate goes to near relatives) is earmarked by special endorsement to be paid to the provincial treasurer to cover succession duties.

This would leave the net value of the taxable estate at $190,000, to which must then be added the amount of premiums which have been paid in on the $10,000 policy (say, $5,000 on the basis of an ordinary life policy taken out at age 40 and in force twenty years) which would bring the total value of the taxable estate back to about $195,000, and the saving only about half as great as might at first be indicated.

There is, however, a real benefit where the deduction of an insurance policy brings the estate into a lower category than might otherwise be the case. This, for instance, applies particularly in larger estates where the rates rise very sharply. Then, too, the amendment may achieve considerable good through providing ready money to pay this inevitable charge and obviate the forced sale of securities or property which might prove decidedly embarrassing.

Ordinary Life Insurance Sales*

	1926	1927	1928	1929	1930	1931
January	$33,907,000	$36,986,000	$47,569,000	$50,575,000	$46,788,000	$41,188,000
February	34,744,000	35,525,000	39,962,000	47,443,000	45,499,000	40,180,000
March	40,483,000	42,883,000	44,823,000	49,406,000	50,327,000	46,945,000
April	37,346,600	41,631,000	46,718,000	53,383,000	52,708,000	45,648,000
May	37,703,000	44,563,000	49,581,000	51,283,000	50,085,000	....
June	44,634,000	45,298,000	51,844,000	54,700,000	55,355,000	....
July	40,101,000	39,962,000	49,492,000	56,078,000	47,829,000	....
August	36,010,000	38,360,000	43,503,000	42,468,000	37,061,000	....
September	34,878,000	35,000,000	38,872,000	43,911,000	39,643,000	....
October	40,226,000	48,104,000	55,743,000	52,985,000	46,019,000	....
November	44,251,000	44,935,000	54,865,000	56,678,000	46,868,000	....
December	46,777,000	48,899,000	56,647,000	55,350,000	49,874,000	....

Total first 4 months, 1931 .... $173,961,000
Total first 4 months, 1930 .... $195,322,000

Decrease, 8% $21,361,000
Decrease March, 1931, from March, 1930 .... 12%

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1. 1930. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

April Sales Life Insurance Off 12 Per Cent

Ordinary life insurance written in Canada during April amounted to $45,648,000 a drop of 12 per cent from the April, 1930, figure of $52,708,000. The April figures showed a decline of $1,300,000 from the March 1931, record. This is the first time since 1927 that April figures were lower than those of March. Cumulative figures for the first four months of the year show total sales in Canada to be 8 per cent below those of the same period in 1930.

In the United States the record for 1931 has been considerably poorer than that of Canada. April figures at $754,000,000 are 16 per cent below the same month a year ago, while cumulative figures from the first four months of the year are 17 per cent below the same period in 1930.

In Canada the best showing for the four months period in 1931 is in Ontario, which has maintained its total sales at almost the same volume of a year ago. Since Ontario writes nearly 40 per cent of the total business written in Canada, this province's record has an important bearing on the Canadian figures. Alberta has made the poorest showing to date this year. Its record being 26 per cent below the same figure a year ago.

Comparative figures by provinces and for Newfoundland as issued by the Life Insurance Sales Research Bureau of Hartford are as follows:

April Insurance Record

	April ratios 1931 to 1930	1st 4 mos. ratios 1931 to 1930	Total Sales
Alberta	74%	74%	$ 2,212,000
Brit. Columbia	81	81	3,171,000
Manitoba	82	89	2,591,000
New Brunswick	91	96	936,000
Nova Scotia	103	89	1,634,000
Ontario	91	100	18,725,000
P. E. I.	73	76	149,000
Quebec	92	89	13,997,000
Saskatchewan	77	83	1,930,000
Newfoundland	75	72	303,000
Total	88%	92%	$45,648,000

MUTUAL RELIEF APRIL BUSINESS

Mutual Relief Life Insurance Co. reports new business issued and revived during April, 1931, $258,680 and the total business in force at the end of the month at $21,636,955. Death claims paid during April totalled $22,757 and mortuary dividends paid in April amounted to $91.96.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Excelsior Life

Can you give me some information as to the value and dividends paid on Excelsior Life stock. I have some shares and some bonus additions which would seem to make the stock about 28 per cent paid up. Is this correct?

The shares of Excelsior Life Insurance Co. are now 30 per cent paid up. Accordingly there are in all probability some additional stock bonus notes over and above those you mention which would bring the total paid up value of each share to $30. This stock was originally issued on a 15 per cent paid up basis, and subsequently stock bonuses of $1 per share were paid for 15 years. No stock bonuses have been paid, however, for the last two years. Therefore, if these shares were bought on a 22 per cent paid up basis, it is probable that in the meantime, eight stock bonuses per share have been received.

The dividend on these shares is 8 per cent on the paid up value, and the last price at which shares have been sold, is recorded at $120 per share. The company is a well-managed organization which has made considerable progress.

Maritime Life

Will you give me some information regarding Maritime Life shares? What is the price of these shares? How is the company progressing?

We can get no quotation on your shares of Maritime Life Assurance Co. However, although the market for these shares is apparently very inactive, the company appears to be making good progress, and at the end of 1930 had built up a small surplus of $62,000 which, however, was apparently used to the extent of $48,000 to adjust the company's investments, on the basis of market values as fixed by the Department of Insurance. The company is apparently now working itself into a position where it should be able to show a satisfactory underwriting profit from year to year.

London and Lancashire Income Was $35,856,284

London & Lancashire Insurance Co. had a total income of $35,856,284 in 1930 of which interest amounted to $1,602,831. Net fire premiums dropped to $16,119,164 from $17,150,193 in 1929; net accident premiums dropped slightly to $11,791,710. The loss ratio on net fire premiums was 48 per cent and, after adjusting reserves for unearned premiums, the profit on this class of business was $2,420,400. In the accident department claims ratio was 57.37 per cent as compared with 56 per cent in 1929. Profits amounted to $840,895, including interest of $415,115.

The total assets of the company were increased by $1,342,923 to $138,349,508. The company has been operating in Canada for 50 years and in 1930 net fire premiums amounted to $1,256,751 with a loss ratio of 47.23 per cent.

Four Dominion Licensees Ask Return of Securities

Four insurance companies formerly operating under Dominion license have ceased to transact business in Canada and have applied for release of securities held by the minister of finance under the terms of the Insurance Act. The four companies are the Lumber Underwriters, Laurentian Insurance Co., Independence Insurance Co. and Fidelity American Insurance Co. of Houston, Texas.

All policies of the Lumber Underwriters in Canada having expired and all losses having been paid the company asks for release of securities on August 10, 1931. The Laurentian Insurance Co. has reinsured its outstanding policies with the British Colonial Fire Insurance Co. and asks release of securities on August 15. Independence Fire Insurance Co. has reinsured all its liabilities in Canada with Merchants & Manufacturers Fire Insurance Co., Newark, N.J., Fidelity American Insurance Co. ceased writing business in Canada on April 1 and has reinsured all its liabilities in Canada with Mill Owners Mutual Fire Insurance Co. of Iowa.

Insurance Inklings

R. N. E. HARRIS, formerly representative for the Dominion Life at Vancouver has been appointed supervisor of the Victoria branch of which Thomas Humphries is branch manager.

JOHN J. MURRAY, supervisor of training for the Dominion Life is on a tour of the company's western branches.

FREEDMAN D. SMITH, superintendent of agencies of the Metropolitan Life Insurance Co. has recently completed a tour of the Dominion ending his tour at Saint John, N.B. Mr. Smith was formerly manager of the Moncton branch of the company.

VICTOR A. SINCLAIR, K.C., chairman of the Ontario Workmen's Compensation Board, has been named as representative of the Ontario Government at the forthcoming International Labor Conference to be held at Geneva.

Prudential of London Appoints Cowan Manager

N. E. Cowan has been appointed manager of the second Toronto agency to be opened by the Prudential Assurance Co. of London, England. The new branch adjoins the first branch to be established in Toronto in the Canada Permanent Building.

Family Protection Plan Fills Important Need

Pros and Cons of New Type Policy With Wide Application to Average Policyholder, Frankly Discussed

From Montreal Life Monthly Bulletin

For years companies have been preaching income settlements under life insurance policies. Experience taught that insurance money, paid over in a lump sum to a widow, was frequently dissipated through extravagance or unwise investment. So income settlements were devised, and the proceeds of the policy were paid to the beneficiary in monthly installments for a term of years or life. The sale of policies with income settlements has grown by leaps and bounds—but unfortunately only with those in quite comfortable financial circumstances.

The average man could not afford to pay the premium on a policy that would yield a monthly income of reasonable proportions. He realized that $25 a month would be of very little advantage to a widow with two or three children. And yet if there is anything in the monthly income idea, it is just as applicable, perhaps more so, to the average man as to his wealthier neighbor. There are thousands of men earning from $200 to $300 a month. Talk to them about monthly income and they will tell you, that $100 a month is the absolute minimum on which their families could exist in event of their deaths. A capital of $24,000 invested at 5 per cent would yield $100 a month, but how many family men earning $200 or $300 a month could accumulate $24,000 in a life time? A policy to provide $100 a month for 20 years and as much longer as the beneficiary might survive would call for a premium of over $500 on the whole life plan. "It can't be done," says the average man and he is right. A man making $200 a month can't pay $40 a month for insurance protection.

Family Protection Policy

It is into this situation that the family protection policy fits like a glove. For an annual premium of about $250 the average family man can secure a contract that will guarantee, in event of his death, a monthly income of $100 until his youngest child is grown up and then a final cash payment of $10,000. The widow could purchase a life annuity with this sum, which would bring her about $50 a month if she were then 50 years of age, or $70 a month if she were 60.

We recommend that along with each family protection policy sold, should go another policy for one or two thousand, which will provide a clean-up fund at the death of the father. Then are the insurance problems of the average family man solved in a highly satisfactory manner. There is the immediate payment of $1,000 or $2,000 to pay current accounts, expenses of last illness and to enable the widow to adjust things to new conditions. Then the monthly income of $100 will continue while it is most needed, during the time the children are growing up and being fitted to face life's problems. Finally, the cash payment of $10,000 will provide a competence for the widow in later years. And consider that all this is accomplished at a very moderate cost, less than half the premium on a whole life policy providing the same monthly income. True enough this latter policy would provide a permanent monthly income to the beneficiary, as against only a temporary income in the case of the family protection policy. But the cost of this permanent income is prohibitive to the average family man, while the premium deposits on the family protection policy are easily within his reach.

It was, however, with some hesitation that we decided to introduce the family protection policy. A careful examination of the contract revealed its unquestioned merit. Our reluctance to adopt it rose from the fear that it would not be understood thoroughly by those who bought it and that dissatisfaction would result.

Two Important Dangers

There was the danger that some of the buyers of family protection would think that the monthly income would be paid for twenty years no matter when death occurred. This of course is not correct. If death occurs within the first twenty years the monthly income is continued only until the end of such period of twenty years. For example if the policy holder died at the end of fifteen years, the monthly income would be available only for five years. If death comes after twenty years, there is no monthly income, only the face amount of the policy is paid.

Then there was another danger. It is the 12 per cent yield. That is a difficult hurdle for the prospect to hop over. The agent tells him that if he dies within twenty years, the company will hold the face amount of the policy, say $10,000 and pay his widow 12 per cent yearly until the end of such period of twenty years. This statement is correct, but it sounds fishy, especially to one who may have bought some 12 per cent stuff before and lost his money. Family protection policies are sold to family men. As a class family men know something of economies and interest returns on safe investments. They are frightened at talk of 12 per cent. There must be a catch in it somewhere. Many sales are lost because of this feeling.

The explanation is that the 12 per cent return is not a yield on a capital investment but is merely a mode of settlement. A regular policy is combined with a decreasing term insurance and by this means the company is able to pay a monthly income for 20, 15, 10 or 5 years as the case may be and then pay the principal sum. The company is not promising anything that it cannot fulfill. The policy is actuarially sound and correct. The premiums are adequate.

These are the two perils that exist in connection with the family protection policy. We cannot urge too strongly on our agents to make very clear to the prospect the exact nature of the contract and especially in regard to the length of time the income will be paid.

INSURANCE RATE TO HUDSON'S BAY WILL BE REDUCED

Will Encourage Navigation by Suspension of Warranty

Reduction in marine insurance rates for the Hudson Bay route has been agreed to by the rate-fixing committee of the Imperial Shipping Committee, according to the report recently released by the Department of Marine. Reduced rates will be in effect from August 10 to September 30 and will enable trial shipments of grain to move over this route during the current season.

The effect of the committee's report is twofold. Insurance underwriters agree to suspend the North American warranty in respect to the Hudson Bay route, and, in doing so, they agree to reduce the extra premium generally charged for this service. The warranty prohibits insured vessels from entering certain ports, generally because of ice conditions. Ordinary rates will apply to all vessels using the route, but reductions will be made in the extra premium to be charged for the suspension of the North American warranty.

In the report it was agreed "to reduce the rate of additional premium for suspension of the North American warrant, in respect of vessels passing Cape Chidley inward on and after Aug. 10, and leaving for the last loading port on Hudson Bay on or before Sept. 30 from 60 shillings per £100 to 50 shillings per £100 on the insured value, plus 2 shillings per ton on the gross registered tonnage. On a vessel valued at £10 a ton, the latter rate works out at 3½ per cent., as against 4 per cent at the former rate."

While the rate is not so low as those applying to other shipping routes, it was believed in some quarters to be as low as could be hoped for in view of the lack of knowledge on navigation hazards. There has been no concerted travel over the route, and many facts relating to ice conditions are not known. The Dominion Government will maintain direction-finding radio stations, ice-breakers and other aids to navigation at no cost to shipping. This fact was taken into consideration by the committee in determining the rate.

One of the factors leading to the fixing of a marine insurance rate is the percentage of accidents on the route in question. This information was lacking regarding Hudson's Bay and will not be determined for several seasons or until traffic has moved over the route in some density. At a comparatively low rate, with a small volume of shipping, one serious accident would wipe out the profits of the underwriters for many seasons.

Life Insurance Advertisers Hold Annual Convention

Twenty life insurance companies were represented at the annual meeting of the Life Insurance Advertisers Association, held in Montreal, on Tuesday of this week. The meeting was attended by about 35 people, the entire day being devoted to a discussion of present and future problems of life insurance advertising.

At noon delegates were guests of the Sun Life Assurance Co., and were welcomed by T. B. Macaulay and executive officers of that company. Deliberations were concluded by a dinner addressed by Henry E. North, third vice-president and manager for Canada of the Metropolitan Life Insurance Co.

Current Events in the Banking World

MANY BRANCHES MAY BE CLOSED IF RATE CURBED

Bankers Think Proposed Legislation Would Force Their Hand

If legislation now before the House of Commons at Ottawa to curb bank interest rates in Canada, becomes law, it will mean the closing down of many small branch offices which are now operating at a loss but for the purpose of providing banking facilities to out of the way points.

This is the opinion of bankers questioned regarding the possibilities of legislation introduced by Henry E. Spencer, of Battle River, Alta., who proposes that every bank in Canada which charges more than seven per cent be guilty of an indictable offence and liable on conviction to a fine not exceeding $5,000 and every one who being a director, manager or officer of any bank violates the said provisions shall be liable to a fine not exceeding $1,000 and to imprisonment for a term not exceeding two years.

Spread is 6 to 8 Per Cent

Broadly speaking, the spread of bank interest rates in Canada is from 6 to 8 per cent. There is probably no doubt that the majority of 8 per cent loans are in the West, not because the West is being charged more for its accommodation, but because the percentage of well-established, first-class borrowers is smaller in the West than in other parts of Canada. In other words, the bankers stoutly affirm that similar risks are charged similar rates no matter where they are, but that the risks in many cases are not similar in the West, there being a much higher percentage of weak credit risks in the West than in the East.

Up until a few years ago, according to one leading banker, it was considered fair to charge an even higher rate than that mentioned above, at pioneer points. In other words, if banks undertook to open branch banking facilities at the focus point of a new Western community, in addition to the added risk involved in lending money under pioneer conditions, there is usually only a small volume of business available for the first few years and the charging of a 9 per cent and even in isolated cases, a 10 per cent rate, until the community got properly under way, is necessary if the office is to pay its way and the settlement is not to get its banking services at the cost of the older and more fully established communities. In practice the application of this idea has been steadily decreasing for several years, and has been practically abandoned at the present time so that with very few, if any, exceptions the maximum rate for commercial borrowing is now 8 per cent.

Leman's Statement Recalled

The way in which these higher-cost loans are being eliminated was brought out clearly by Beaudry Leman, president of the Canadian Bankers' Association who in his public statement in defence of Canadian banks, issued last April, said:

"As regards the rates of interest, a great deal of misconception is apt to result from vague statements. Throughout the Prairie Provinces, 76 per cent of the loans by the banks bear a rate of 7 per cent or under, and 20 per cent of the loans from 7 per cent to 8 per cent. In order to appreciate the conditions under which the banks are operating in the Prairie Provinces, it is necessary to consider that farmers' borrowings represent numerous small amounts, and it is well known that the handling of a large number of small items in all lines of business is more costly than handling large units. There are many points in Western Canada where the volume of business available is insufficient to pay expenses under present conditions and it would seem inevitable that a lowering of rates must result in a curtailment of banking service and facilities in such localities.

Branch Mortality Heavy in April

Sixteen branches of Canadian banks were closed in April according to the record of the bank directory of Canada. Five new branches were opened, three of which were in Toronto, divided among the Dominion Bank, Bank of Montreal and the Bank of Commerce.

Eight of the sixteen branches closed were Bank of Montreal, two of which were in Mexico at Tampico and Vera Cruz. Royal Bank and Commerce each closed three branches, the Commerce branches being all in Saskatchewan. One of the Royal Bank branches was at Buena Ventura, Colombia. The other two branches closed were Bank of Nova Scotia branches in Ontario.

Weekly Bank Clearings

Eastern Cities

	May 22, 1930	May 21, 1931
Halifax	$ 3,317,369	$ 4,590,611
Saint John	2,422,459	2,444,047
Sherbrooke	971,905	922,122
Quebec	6,511,074	6,463,748
Ottawa	7,953,473	7,217,722
Montreal	147,003,090	160,477,210
Kingston	707,811	672,566
Peterboro'	911,815	751,372
Toronto	127,386,030	137,490,469
Hamilton	5,911,121	5,264,830
Kitchener	1,192,193	1,024,328
Brantford	1,095,295	1,107,707
London	3,393,832	2,887,567
Chatham	633,185	443,687
Windsor	5,899,800	3,415,495
Sarnia	804,749	594,407
Sudbury	1,276,005	669,557
Moncton	1,032,967	793,656

Western Cities

	May 22, 1930	May 21, 1931
Fort William	$ 963,168	$ 741,083
Winnipeg	50,009,970	43,805,594
Brandon	491,817	384,623
Regina	4,967,839	3,816,720
Moose Jaw	1,169,605	827,685
Saskatoon	2,132,519	1,697,551
Prince Albert	436,787	409,052
Edmonton	5,971,940	4,657,680
Calgary	7,651,571	5,794,993
Medicine Hat	365,764	237,813
Lethbridge	850,994	403,515
Vancouver	19,402,057	16,525,833
New Westminster	807,786	581,492
Victoria	2,530,127	2,043,356

What Editors Say of Banks

Banks and Public

Ottawa Journal.—Premier Bennett's House of Commons statement on the Canadian banking system could be profitably studied by a lot of people who appear to think that the basement of every bank has an inexhaustible supply of cash that is the personal property of the bankers.

Nothing is easier than to blame banks for being stingy with loans. What the people who talk that way forget is that the banks have no money of their own, and that, this being so, no bank has the right to take Smith's money and loan it to Brown, when Brown is likely to be the sort of fellow that will cause the bank to lose Smith's money.

This does not mean that banks should consider every citizen who demands a loan as an actual or potential wastrel, or that they shouldn't stand prepared to assist legitimate industry. What it does mean, however, and must mean, is that the banks, in lending money, must have due regard to the fact that they may be called upon to repay that money to the source from which it was borrowed.

No one can sensibly argue that our banking system is perfect, that our bankers are infallible, that their methods cannot be improved. But what can be argued is that the bedrock of sound banking is safety, and that, measured by that standard, our banking system is as good as any in force in any country. It is certainly a great deal sounder than the system in the United States. During the past year alone more than 1,000 United States banks failed, with loss of millions and much misery for the United States public, and with no possible good for American agriculture or industry.

Bank Chat

The IMPERIAL BANK OF CANADA announces the following staff changes:

H. O. POWELL, formerly general manager of the Weyburn Security Bank, has been appointed district manager, Weyburn district, Weyburn, Sask.

A. YOUNG, formerly attached to the western superintendent's department, Winnipeg, has been appointed supervisor, Weyburn district, Weyburn, Sask.

B. A. SEE, formerly attached to the Weyburn Security Bank, has been appointed assistant supervisor, Weyburn district, Weyburn.

H. J. MORGAN, formerly manager, Portage la Prairie, Man., has been appointed manager, Weyburn branch.

R. MAVOR, formerly manager, St. Vital, Man., has been appointed manager, Broadview, Sask.

V. J. MANN, formerly manager at Broadview, Sask., has been appointed manager, St. Vital, Man.

A. S. WAGNER, formerly attached to Windsor, Ont., has been appointed accountant, market branch, St. Catharines.

A. P. GRANT, formerly accountant, market branch, St. Catharines, has been appointed accountant, main office, St. Catharines, Ontario.

R. P. WEBB, formerly assistant manager at St. Catherine Street, Montreal, of the Bank of Nova Scotia has been appointed assistant manager at Queen and Church, Toronto.

R. J. SMITH, formerly manager for the Bank of Nova Scotia at Sheet Harbor, N.S., has been appointed assistant manager at Halifax.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

FIRE·MARINE·AUTOMOBILE·ACCIDENT·SICKNESS·BURGLARY·GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE · TORONTO

When You Can't Save

Your ability to save ceases when you die. Suppose this happens before you have saved enough to enable your family to maintain even a modest scale of living. A Crown Life Policy will guarantee them both what you saved and what you hoped to save.

Talk it over with a Crown Life Man

CROWN LIFE
INSURANCE COMPANY
HOME OFFICE: TORONTO, CANADA

$5.00 will bring you The Financial Post every week for a year (52 Issues)

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues), this also to entitle me to obtain by letter, whenever I wish, a personal reply to my questions regarding any Canadian investment in which I may be interested. I enclose $5.00.

Name ....
Occupation ....
Address 662

Have you enough *Life Insurance?*

No matter how large or how small your estate, it will suffer heavy deductions before it reaches your wife or family. Doctors, nurses, hospitals, undertakers, lawyers, etc., not to mention succession duties, if the estate be considerable, will reduce the net amount payable to your heirs by anything from 10% to 25%.

Take your pencil and try a simple sum in arithmetic, using an actual case as an example:

	Typical Case	My Case
Total face value of all my life insurance policies	$5,000	$........
Estimated value of my real estate, securities and other assets	$2,000	$........
Total	$7,000	$........
Less 15% as indicated above	$1,050	$........
Total estate (net)	$5,950	$........
Invested in good securities at 5% this should yield my family an annual income of	$297.50	$........

IS IT ENOUGH?
Fill in and mail the attached coupon:

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE MONTREAL
Please send me your pamphlet, "Is It Enough?", advertised in ....
(Name of Paper)
Name (Mr., Mrs. or Miss) ....
Date of Birth ....(Month)..........(Year)..........
Address (Street) ....(City)..........

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $5,010,673.96
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

ESTABLISHED 1872
SENECA JONES & SON
HOME OFFICE: HAMILTON, ONTARIO
CANADIAN GENERAL AGENTS FOR
Fidelity American Insurance Company
Mill Owners Mutual Fire Insurance Company
INQUIRIES FROM WELL-ESTABLISHED AGENCIES INVITED
COAST TO COAST SERVICE

"I may live too long or not long enough"
10 15 20 25 30 35 40 45 50 55 60 65 70 75 80 85 90 95

"That is why I have taken Life Insurance.

"If I outlive my usefulness as a producer, my Life Insurance will guarantee me an income for an independent old age. On the other hand, if I should not live long enough, my Life Insurance will guarantee a continuance of the good things of life to my loved ones.

"Here's what I have done"

"I have arranged for an income of $1,680.00 a year ($140.00 a month) to my wife and children for a period of 15 years if I should die before reaching age 60, and all this calls for is a deposit of $335.00 a year.

"If I live there will be more than $10,000.00 in cash for me when I reach age 60."

(Enhanced Protection Thirty Year Endowment Policy Example, age 30. Issued only by the London Life.)

London Life
Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE - LONDON, CANADA

In
WINDSOR, CAN.
The
PRINCE EDWARD
HOTEL

He wanted a $500 signature

and we got it for him

WE may not be able to repeat this stunt, but here is how it happened. A famous English author was stopping at a United Hotel. He felt the manager had gone out of his way to make him comfortable, and often expressed a desire to show his appreciation. One day the manager asked if he would mind autographing one of his books, for a friend. Mind? Ofcourse not! Though he seldom signed his books, the author gladly sent the manager's friend a $500 autograph. We're not in the autograph-getting business. Bless you no! But it is our business to make *every guest* as happy and appreciative as our author friend! And we think *extra service* counts even more than our larger rooms... and popular priced dining places.

Just 2 minutes from Detroit ... across the street from the Windsor opening of the Detroit tunnel ... stands The Prince Edward Hotel. Here you enjoy all the conveniences of a metropolitan hotel ... with Canadian privileges. The handy garage accommodations ... popular priced cafeteria and sandwich shop make this famous Canadian hotel a rendezvous for motorists. Plan to spend a Windsor week-end at The Prince Edward this year!

REDUCED RATES AT THE PRINCE EDWARD

	1 PERSON	2 PERSONS
10 Rooms	$2.50	$3.50
45 Rooms	3.00	4.50
40 Rooms	3.50	5.00
60 Rooms	4.00	6.00
42 Twin-Bed Rooms	$6, 7, 8.	
32 Display Rooms	$4, 5.	
20 Parlor Suites	$12, 15.	

Extra service at these 25

UNITED HOTELS

NEW YORK CITY'S *only United*	The Roosevelt
PHILADELPHIA, PA.	The Benjamin Franklin
SEATTLE, WASH.	The Olympic
WORCESTER, MASS.	The Bancroft
NEWARK, N. J.	The Robert Treat
PATERSON, N. J.	The Alexander Hamilton
TRENTON, N. J.	The Stacy-Trent
HARRISBURG, PA.	The Penn-Harris
ALBANY, N. Y.	The Ten Eyck
SYRACUSE, N.Y.	The Onondaga
ROCHESTER, N.Y.	The Seneca
NIAGARA FALLS, N.Y.	The Niagara
ERIE, PA.	The Lawrence
AKRON, OHIO	The Portage
FLINT, MICH.	The Durant
KANSAS CITY, MO.	The President
TUCSON, ARIZ.	El Conquistador
SAN FRANCISCO, CAL.	The St. Francis
SHREVEPORT, LA.	The Washington-Youree
NEW ORLEANS, LA.	The Roosevelt
NEW ORLEANS, LA.	The Bienville
TORONTO, ONT.	The King Edward
NIAGARA FALLS, ONT.	The Clifton
WINDSOR, ONT.	The Prince Edward
KINGSTON, JAMAICA, BWI.	The Constant Spring

UNITED HOTELS

STANDARD. CHEM. TO PAY DIVIDEND OUT OF SURPLUS

Profit Dropped Sharply in Past Year; Liquid Position Strong

Reduced industrial sales, domestic and export, and lower sales for products used in the homes are reported for Standard Chemical Co., which, in the fiscal year ended March 31, 1931, shows net earnings available for dividends at $18,608 as compared with the $135,800 shown in the previous year. Earnings on the 37,277 common shares of no par value amounted to 50 cents a share in the year just closed as compared with $3.64 per share in the year ended March 31, 1930.

Sales during the past year dropped to $1,387,067 from $1,875,262 and the company carbonized 31,845 cords of wood as against 46,940 cords the previous year. Net earnings dropped to $56,819 from $192,001. Depreciation allowance remained the same as in previous years at $35,500 but debenture interest dropped to $1,711 from $9,567 due to the retirement of all of the company's funded debt in the summer of 1930. Income tax provision was reduced to $1,500 from $11,635. The directors have decided to distribute $18,669 of accumulated undivided profits of previous years by declaring a dividend of $1 a share payable June 26 to shareholders of record May 26.

Liquid Position Strong

Current assets, excluding prepaid insurance premiums of $22,732, amount to $1,230,618 as compared with $1,367,858 in the previous year but current liabilities have been reduced to $99,068 from $164,542. The ratio of current assets to current liabilities at the end of the year just closed was 12.4 to 1 as compared with 8.31 to 1 in the previous year. Cash on hand has increased to $84,512 from $74,652; accounts receivable, less reserve, are down to $203,152 from $210,633 and inventories are carried at $942,953 as compared with $1,082,573 reported previously. Accounts payable are down to $86,882 from $119,498 and reserve for income tax is shown at $12,186.

Land, timber limits, plant and equipment, after deduction of a reserve for depreciation amounting to $140,000, are carried at $473,779. The company is now carrying one third of the fire risk on its plant and has created a fund amounting to $5,043 invested in Dominion guaranteed bonds. Investment in the capital stock of Wood Products Co. is carried at $1 as usual. In addition to current liabilities the company shows a reserve for contingencies amounting to $54,318 as compared with the $116,336 shown the previous year. Funded indebtedness to the amount of $191,923 was retired in 1930 leaving 37,277 shares of no par value common stock as the only security outstanding which are carried at $1,336,582, as in previous years. Surplus carried forward is $242,205 as against $260,873 in 1930 due to the declaration of a dividend on the common shares in excess of net income of the past year.

Details of the consolidated income and surplus account of the company and its various subsidiaries in the past three years are as follows:

CONS. INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1931	1930	1929
	$	$	$
Sales	1,387,067	1,875,262	2,200,543
Net earn.	56,819	192,001	275,769
Less: Depr.	35,000	35,000	35,000
Deb. int.	1,711	9,567	13,696
Inc. tax prov.	1,500	11,635	18,006
Net profit	18,608	135,800	209,068
Less appropriations:			
Com. div.	37,277	111,831	74,554
Surp. for year	*18,669	23,969	134,514
Add prev. surp.	260,873	236,904	102,390
Bal. carr. fwd.	242,204	260,873	236,904

*Deficit.

Investigate Saskatchewan Coal

The Northern Public Service Company, one of Wininpeg's central heating companies, has recently conducted experiments as to the efficiency of Saskatchewan Lignite coal for its use.

June Dividends, $28,831,141; Affected by C.P.R. Change

Dividend payments by Canadian corporations during June will total $28,831,141, as compared with $33,847,306 in June, 1930, according to figures compiled by The Financial Post, but the total is still considerably above the $25,591,671 paid out in June, 1929. While the dividend has been passed on two preferred stocks the reduction in the June disbursements in comparison with the 1930 total is due chiefly to reduction of the common dividend of Canadian Pacific Railway and the cumulative effect of reductions or omissions which have taken place during the past year.

Reflecting the satisfactory results obtained in the fiscal year recently ended, an extra dividend of 20 cents per share has been declared on the stock of DeForest Crosley Radio Co., now Consolidated Industries Ltd., in addition to the regular dividend of 20 cents. Lake Shore Mines Ltd. will also double the usual quarterly dividend of 30 cents a share by paying a bonus of 30 cents. This constitutes the second bonus of 30 cents to be paid during the current fiscal year, which ends June 30. Continuing the policy of paying dividends in stock while the rate of exchange is unsatisfactory, Brazilian Traction, Light & Power Co. will pay one share of stock for each 50 shares held.

C. P. R. Cut Most Serious

The most substantial reduction in dividend, from the standpoint of total disbursement, to be made in past months resulted from the action taken by directors of the Canadian Pacific Railway Co. in reducing the common dividend by half. This has ben necessitated by declining revenues, due to reduced industrial activity throughout Canada. The lower dividend of $1.25 per share will be paid on June 30. There are $335,000,000 of $25 par value shares outstanding so that the dividend action taken reduces the amount received by investors by some $4,125,000.

Dividend is being passed on the 5 per cent preferred stock of Consolidated Investment Corp., of which there is $10,000,000 of $100 par value stock outstanding. Action has been taken by the directors since revenue of the trust has declined to the extent that the preferred dividends for the year will not be earned, it is stated. Dividend on the 6 per cent preferred stock of Howard Smith Paper Mills Ltd. has also been passed. There are 45,000 shares of $100 par value outstanding. In both cases the preferred stock is cumulative.

Dividends to be paid during June by Canadian corporations, as compiled by The Financial Post, are as follows:

SUMMARY OF PAYMENTS

Dividends	$28,831,141
Bond interest	26,207,978
Total for June	$55,039,119

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Andian National	1	12	$2,550,000
Assoc. Brew. com.	25c.q	30	56,150
Bk. Can. Nationale	2½q	1	175,000
Bk. of Montreal	3q	1	1,080,000
Bk. of Toronto	3q	1	180,000
Belding Corticelli, pfd.	1¾q	15	15,142
Brazilian Tr.	50x	1	3,147,692
Canada Cement pfd.	1⅝q	30	341,250
Canada Paving pref.	1¾q	1	34,016
Canada Vinegars	40c.q	1	36,800
Can. Wire & Cable "A"	1q	15	45,000
Do., "B"	43¾c.q	15	55,327
Do., pref.	1⅝q	15	48,750
Can. Bk. of Commerce	3q	1	900,000
Can. Hydro Elec. pfd.	1½q	1	187,500
Can. Intern. Inv. pfd.	1¼q	1	25,000
Can. Pacific Rly. ord.	1¼q	30	4,187,500
Cooksville Co. pfd.	1q	15	4,000
Crow's Nest Coal	75c.q	1	46,594
David & Frere "A"	57c.q	15	13,110
De Forest Crosley	‡20c.	1	28,073
East Koot. Pr. pfd.	1¾q	15	17,500
East. Theatres, com.	50c.q	1	16,000
Famous Players	50c.q	27	189,330
Ford Motor "A" & "B".	60c.s	20	995,876
Ham. Un. Theat. pfd.	1¾q	30	13,787
Hollinger Mines	1%	17	246,000
Imperial Oil	12½c.q	1	3,339,728
Imp. Tobacco ord.	1¾%	30	826,963
Inter. Milling, 1st pfd.	1¾q	1	62,203
Do., Series "A"	1½q	1	14,612
Inter. Nickel, c.	15c.q	30	2,187,603
Inter. Propriet. "A"	65c.q	15	145,772
Inter. Petroleum	25c.q	15	3,581,022
Lake Shore Mines	†30+30cq	15	1,200,000
Lake of Woods pref.	1¾q	1	26,250
Laura Secord c.	75c.q	1	43,098
Legare, P. T., pref.	1¾q	1	10,787
Lindsay's	25c.q	1	8,252
Do, pref.	1⅝q	1	11,847
Loblaw Grocet. "A" & "B"	20c.q	1	170,168
London Can. Inv. pfd.	1¼q	1	50,000
McColl. Frontenac c.	15c.q	15	74,458
McIntyre Mines	5q	1	199,500
Montreal Cottons	1½q	15	45,000
Do, pref.	1¾q	15	52,500
Montreal Loan	3q	15	18,000
Morrison Brass pfd.	1¾q	1	26,250
New Method Ldry. pfd.	1⅝q	1	4,062
N.S. Light pref.	1½q	1	18,750
Ogilvie pref.	$1.75q	1	35,000
Photo Engravers	50c.q	1	16,000
Provincial Bank	2¼q	1	90,000
Reliance Grain, pfd.	1⅝q	15	32,500
Rogers Maj. "A" & "B"	30c.q	1	37,664
Rolland Paper pref.	1½q	1	22,500
Royal Bank	3q	1	1,050,000
Sher. Williams	40c.q	30	80,000
Do., pref.	1¾q	30	60,550
Sylvanite Gold	2s.	30	65,990
Simon, H. & Sons	62½c.q	1	18,781
Do., pref.	$1.75	1	9,852
Stand. Chemical	$1y	26	37,277
Union Nat. Gas	25c.q	10	157,845
Walker, Hiram	12½c.q	15	330,000
Windsor Hotel pfd.	1⅝q	1	36,560
Total			$28,831,141

xStock dividend.
†Bonus.
‡Extra.
q—Quarterly.
s—Half-yearly.
y—Yearly.

BOND INTEREST DUE IN JUNE

Company	Rate	Date	Due	Amt.
Abitibi Pwr. "A"	5	1	1953	$1,250,000
Adel.-Peter Bldg.	6¼	1	1948	11,718
Alta. Pac. Grain	6	1	1946	93,570
Algoma Steel	5	1	1944	145,000
Auditorium	6½	1	1944	9,425
Barcelona Tr. 1st mtg.	5½	1	1974	224,504
Bawlf Terminal "B".	6	1	1942	6,160
372 Bay St.	6½	1	1947	27,124
Bell Tele. "B"	5	1	1957	750,000
Do., Series "A"	5	1	1960	187,500
Burns & Co. "A"	5½	1	1948	190,531
Canada Paper	6	4	1945	52,890
C.N.R. (Dom. Can.)	4¾	15	1955	1,187,500
Do.	4½	1	1968	787,500
C.P.R. Trust	5	1	1954	750,000
C.P.R. Note Cert.	4½	15	1944	501,502
Cawthra Apts.	7	1	1946	14,875
Cons. Press	6½	1	1949	25,359
Consumers Glass	5	1	1948	32,500
Deer Park Manor	7	1	1940	6,250
Dominion Glass	6	2	1933	18,654
Dom. Woollens "A"	6	1	1948	67,500
Firstbrook Box	6	15	1948	14,625
Frontenac Brew.	6	1	1951	27,432
400 Avenue Road	7	1	1946	9,446
For. Pow. Secs. "A".	6	1	1949	150,000
Gatineau Power	5	1	1956	1,773,550
Do. S. F. debs.	6	15	1941	343,395
Gleneagles Inv.	6½	15	1944	35,750
Godfrey Realty	6	1	1942	45,000
H. Smith Pap. "A"	5½	1	1053	192,500
Ind. Accept. "A"	6	1	1940	30,000
Inv. Bond & Sh. "A"	5	1	1947	100,000
Keefer Realty	6½	1	1943	24,375
Lake & Rail Ware. "A" & "B"	6	1	1951	39,840
Lake Sup. Corp.	5	1	1944	131,950
Loew's, Marcus	6	1	Serial	5,160
Lon. Can. Inv. 'A'.	4½	1	1948	135,000
Manitoba Bridge	5½	30	1938	6,325
Metapedia Val. L.	6½	1	1944	4,786
Montreal Coke "A"	5½	1	1947	110,000
Montreal Apts.	7	1	1938	21,526
Mt. Royal Hotel	5½	1	1947	101,200
N. Que. Pr. "A"	6	1	1945	79,500
N.S. Light & Pr.	5	1	1958	107,762
Ogilvie Flour "A"	6	1	1932	30,000
Do. "B"	6	1	1932	22,500
Do. "C"	6	1	1932	18,000
Ottawa Elec.	5	1	1933	15,625
Power Corp. "A"	5	1	1957	66,842
Quebec Power	6	1	1968	297,025
Redpath Props.	7	15	1950	2,975
Riverside Iron	7	1	1947	7,087
Rolland Paper "A"	5½	1	1948	68,750
Shaw. Cotton	6	1	1949	24,360
Silverbirch Prop.	6½	15	1945	1,137
St. Maur. Val. Cot.	6	1	1952	60,825
Standard Clay	6	2	1942	15,972
Trinidad Elec.	5	1	1931	18,000
Van. Georgia Htl.	6½	1	Serial	42,022
Windsor Ct. Apts.	6	1	1942	12,000
Windsor Arms.	6½	1	1947	11,375
Windsor Htl. 'A'	6	1	1947	32,304
Windsor Htl. S. Ste. Marie	6½	1	1960	10,562
York-Adel. Rlty.	7	1	1945	14,000
Do. gen. mtge.	6½	1	1950	5,200
Corporation bonds				$10,604,734
Victory Loan	5½	1	1937	6,498,217
Municipal bonds				x5,285,027
Provincial bonds				x3,820,000
Total				$26,207,978

x Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

IF YOU ARE GOING ABROAD

You will want to go with your mind free from worry.

This can be accomplished by appointing The Royal Trust Company your agent to handle your investments, clip coupons, deposit interest, manage your real estate and act for you generally in your absence.

In addition, the appointment of The Royal Trust Company as your Standing-by Attorney will provide for continuity in the management of your affairs should you become temporarily incapacitated at any time.

Send for copies of our booklets "Management Service" and "Standing-by"

THE ROYAL TRUST Co
59 YONGE STREET - TORONTO
BRANCHES THROUGHOUT CANADA
ASSETS UNDER ADMINISTRATION EXCEED $530,000,000

When you are in England the facilities of our London Branch are at your disposal.

70

A. P. CON. FUTURE DEPENDS ON HOPE OF REAL OIL FIND

Old Company Has Met Bad Luck in Drilling Programme

The weakness in shares of the Alberta Pacific Consolidated Oils, currently selling at around 16 cents per share, marks a new low for this stock.

From a high of $5.30 per share in 1929, when market interest in Turner Valley oil stocks was at its zenith, the shares of this company have steadily declined, occasioned largely by the unfavorable results obtained.

The company is one of the few survivors of the boom days of 1914. While it has been unfortunate in its drilling activities, and has not been rewarded with a producer of any importance for its Turner Valley effort, it is continuing its exploration programme and still has approximately $170,000 in marketable bonds and around 100,000 shares of Home oil stock, or total liquid assets of approximately $220,000 with which to carry on. This amount represents about 10 cents per share on the outstanding stock.

Active, But Unsuccessful

The policy of the company had been, prior to 1929, to operate as an exploration and holding company. In 1929, it completed its first well in Turner Valley, and although it drilled in what was regarded as a favorable location, it did not secure any production of importance. The second well was no better and attention has since been centred on exploration work and wild-cat drilling.

In this connection the company has been very active, but to date it has not been rewarded with success.

At the present time the company holds leases on approximately 60,000 acres of various sections of Alberta. Most of this acreage was acquired from Fisher & Lowery, consulting petroleum geologists, for 250,000 shares of treasury stock and a share interest to the vendors in event of production being met with. This deal was generally regarded as being a satisfactory one for the company but some shareholders did not share this opinion. More recently harmony has prevailed. The board of directors consists of well-known and highly regarded Calgary citizens.

No Real Income Now

What the future holds for the company and its shareholders is subject to some concern. Its Turner Valley developments are not a source of any real income. Its one-time important share holdings in the Home Oil Co. have dwindled as this Home's chances of success have diminished. Its exploration programme has not been successful from the standpoint of bringing in a producing well.

While the Alberta Pacific has been very aggressive, success has not been its reward, and the future depends principally on hopes that its extensive holdings will develop into an oil field of importance.

George Weston Buys Independent Biscuit

George Weston, Ltd., has bought the Independent Biscuit Co., Ltd., of Calgary, Alta., on the basis of 3½ shares of the 7 per cent preferred stock of Weston for every 10 shares of Independent Biscuit first preferred with bonus of 10 shares of common stock. Outstanding stock of Independent Biscuit Co. is $125,000 7 per cent first preferred, $50,000 7 per cent second preferred and 5,000 no par value common shares.

The name of the Calgary Co. will be changed to Weston Independent, Ltd.

ARNO MINES REPORTS PRESENT ACTIVITIES

Arno Mines has issued a report reviewing the company's present position, particularly its new properties in the Matachewan and Rouyn areas.

Activities until early this year have been confined to the development of the old Coxheath copper property in Cape Breton. In March, an option on the Hurd group of claims, located about 6½ miles northeast of the Ashley-Garvey property of Mining Corp. in the Matachewan area of Ontario, was acquired. Also some gold claims due east of the Granada Rouyn Mines, in Quebec, were optioned.

The report gives extracts from the company's engineer's findings at the Hurd property, which is now being explored by diamond drilling.

Stocks Get Nothing Clean-It-Erias Sale

Clean-it-erias, Ltd., whose assets have been sold to a new company called Clean-it-erias Co., Ltd., has received sufficient to pay off preferred creditors' claims, The Financial Post understands.

A substantial payment will also be made on the claims of ordinary creditors but there will be nothing for shareholders.

LAKE OF THE WOODS MILLING CO., Ltd.
Makers *of* FIVE ROSES FLOUR
MILLS AT
Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 20,000 BARRELS

President and Managing Director
FRANK S. MEIGHEN, C.M.G.

Vice-President and General Manager
WM. W. HUTCHISON

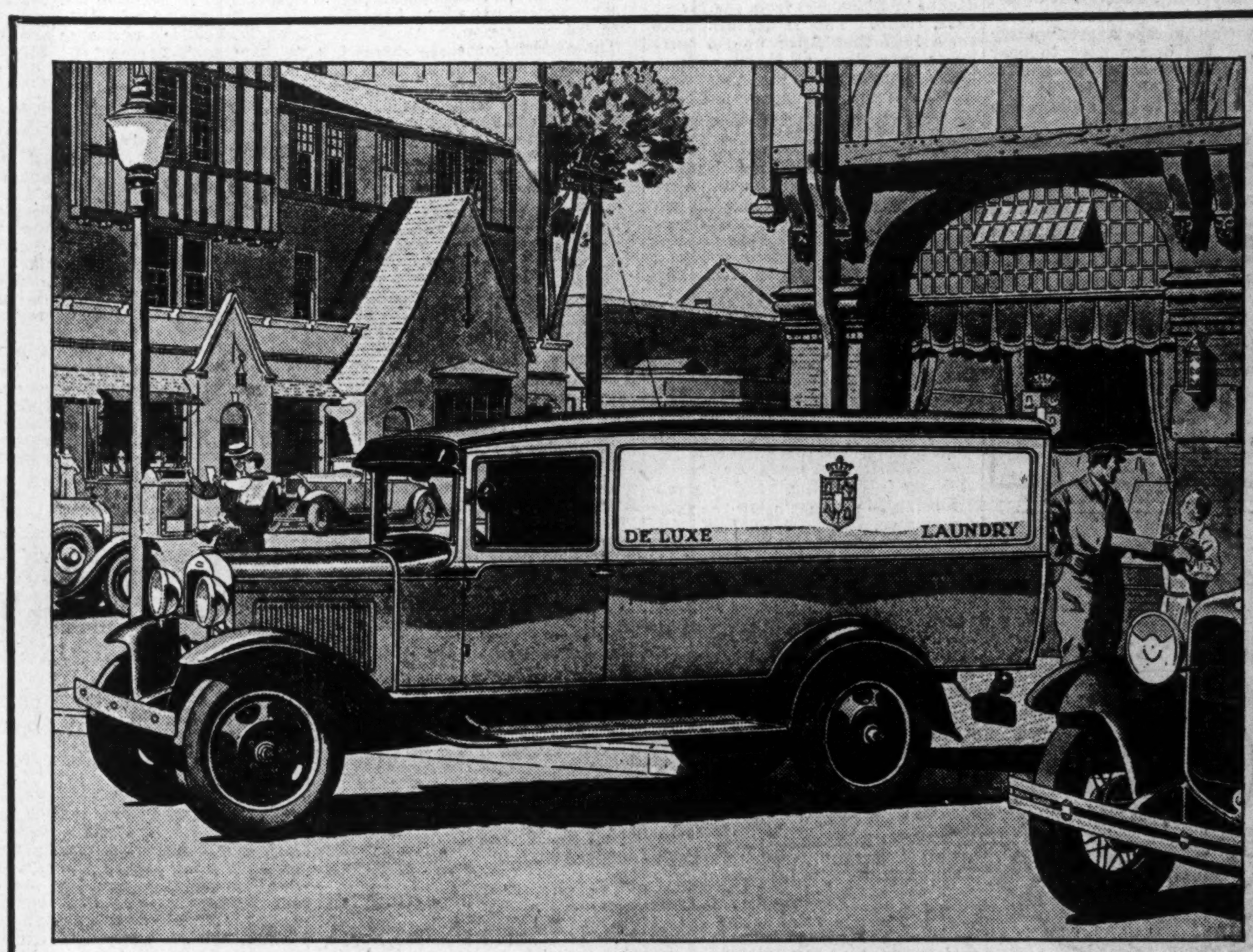
Directors
G. C. MORRISON
HUGH MACKAY, K.C.
R. W. REFORD
G. W. ALLAN, K.C.
N. J. BREEN
WALTER MOLSON
RT. HON. LORD SHAUGHNESSY, K.C.
HON. RODOLPHE LEMIEUX
JOHN W. HOBBS
ISAAC PITBLADO, K.C.
PAUL F. SISE
J. W. PYKE

Secretary
M. H. HUTCHISON

Treasurer
T. F. McNALLY

Asst. Treas.
A. C. McMILLAN

Ford Trucks offer
ECONOMICAL TRANSPORTATION
to every business



THE FORD TRUCK HAS GOOD APPEARANCE AND ADVERTISING VALUE AND IS A CREDIT TO ANY MERCHANT'S BUSINESS IT REPRESENTS. *Panel body on the truck chassis with 131½-inch wheelbase. This is widely used by merchants, decorators, bakers, laundries, and for general hauling of large or bulky merchandise.*

THE FORD 1½-ton truck is carefully and thoroughly designed to provide long, reliable transportation at minimum cost. The record of its performance, in serving many businesses in all parts of Canada, shows a saving in first cost, and in cost of operation over extended periods of time.

Features of the Ford truck

There are many reasons for Ford hauling-economy. Important among them are unusual features of chassis-design. For example, the rear axle is the three-quarter floating spiral bevel gear type. With this design, the axle-shafts serve only to turn the wheels, without carrying any of the weight of truck or load. This insures strength, reliability and long life in the rear axle, reducing the necessity for adjustments and repairs, and increasing the ability of the truck to carry pay loads day in and day out over good roads and bad.

Other features are the 4-speed transmission, which provides a wide flexible range of speed and power, insuring capable performance under all conditions; the torque-tube drive, which relieves rear springs of all but their normal function of absorbing shocks, thus prolonging the life of important parts; the sturdy frame with five strong cross-members, which gives strength to chassis and body alike; and the large, fully enclosed brakes, 14 inches in diameter.

SPECIAL BOTTLERS' BODY *on the truck chassis with 131½-inch wheelbase. One of the many special types available from body-manufacturers to meet the needs of modern business.*

Economical hauling for every business

There is a Ford haulage-unit for every business-need. A complete line of standard bodies is available for the 1½-ton truck to meet most requirements. Special bodies, for every purpose, are available from body-manufacturers. One of the standard bodies, the 131½-inch panel, is illustrated above. There is a choice of 131½-inch or 157-inch wheelbase, 6.6 or 5.14 rear-axle gear-ratios, and single or dual rear wheels.

In addition, there is the light commercial chassis, with four factory-built bodies, and with a wide range available from body-manufacturers, which offers speed, long life and economy for every light-hauling purpose. Either chassis may be equipped with a factory-built closed cab, which has a shatterless glass windshield.

Go to your Ford dealer and see these units. He will be glad to demonstrate the type your business requires. All are low in cost.

Ford
"THE CANADIAN TRUCK"

QUESTIONS BRING VARIED OPINIONS ON FIXED TRUSTS

Investment Bankers Believe Permanency is Assured

DIFFER ON BEST FORM

Answers to Questionnaire Reveal Current Thought on Many Debatable Points

Many investment bankers who are strong exponents of the fixed trust hold widely divergent views on the form that this instrument should take and the various provisions of the trust. The rise in popularity of the fixed trust has been rapid. Many trusts have been formed to meet the demand and with the formation of each new trust an attempt is usually made to overcome possible weaknesses that have been incorporated in the older trusts and to devise further means to make the trust shares more readily saleable.

A cross-section of current opinion as to what the fixed trust should be has been made available through a study made by the research department of Albert Frank & Co., advertising agency, New York. Questionnaires to the number of 1,200 were sent to as many investment banking houses in Canada and the United States. Of a total return of 210,185 questionnaires were filled out in detail and form the basis of a study of interest to investors and investment bankers alike. Returns represent the following geographic coverage:

Forty-two per cent east and northeast, 2.5 per cent south east, 42.5 per cent middle west and west, and three per cent Canada. In all, 37 cities, 23 states and two Canadian provinces were represented.

Will Be Permanent

Only one questionnaire was sent to each company and 86 per cent of the companies reporting were already selling fixed trusts and 96 per cent of the companies believe that the fixed trusts or some modification of fixed trusts will form a permanent part of the investment business in the United States and Canada. Out of 190 replies, 146 reported small investors as purchasing the greatest amount of fixed trust securities, while 44 reported that large investors were purchasing the greatest amount. Interest in the fixed trust, however, appears to be evenly distributed between stock buyers and bond buyers since 88 replies favored the former and 84 replies favored the latter. Comments state that greatest sales potentialities are probably with small investors.

Favor Cumulative Type

Only 26 per cent of the investment bankers regarded the income, or maximum distribution, type of fixed trusts as being the sounder investment, although 75 per cent reported that the income type sold best in their territory at the present time. The best permanent sales outlook is in the appreciation or capital accumulation type with 69 per cent of returns favoring this type for future outlook. These replies are interesting since the general trend at the present time is towards the capital accumulation type of fixed trusts. The fact that 74 per cent of returns considered this the sounder investment of the two types indicates the current opinion of investment bankers, while the fact that the income type of fixed trust now sells in greatest volume in 75 per cent of the cases, is an indication of public preference at the present time.

Which type of diversification is soundest? Out of 179 replies to this question, 103 favored balanced diversification, placing the great proportion of the investment in the most important stocks having the most attractive future, while 41 favored an equal number of dollars invested in each stock, and 36 favored the same number of each stocks. Comments on this question stated that the type of diversification depends upon total number of stocks and proportion of funds in different industries, and also that it is impossible to retain a dollar balance more than a few years.

Would Include Rails

Opinions vary as to what percentage of the investment portfolio should be in stocks of railroads, oils, merchandising companies such as chains and mail order houses, and stocks with futures but now rated B. A. or lower. It is assumed that other classes of high-grade industrials and utilities are also included in the portfolio. Consensus of opinion seems to be that not more than 20 per cent of the investment portfolio should be in railway stocks. Oil stocks could comprise from one per cent to 10 per cent of the portfolio and most of the replies give merchandising companies a similar weight in the total of investments per unit. The following table tabulates the replies given to this question.

Per cent	0	1-10	11-16	16-20	21-25	26 & up
Rails	1	36	32	33	19	5
Oils	0	84	19	10	5	2
Merchandising companies	9	83	11	5	2	1
Stock with futures now rated BA or lower	34	49	4	8	5	7

Utilities Popular

Of the trusts specializing in certain groups of securities, it appears that those specializing in public utilities are the most popular at the present time. Evidently there is no great demand in the specialized trust field at the present time. The replies to the question "Are trusts which specialize in stocks in the following groups attractive for sales purposes now?" indicate this trend as follows:

	Yes	No
Oils	34	113
Rails	29	109
Utilities	86	60
Chain stores	29	96
Banks	44	88
Insurance	47	86

The majority of replies favored an investment portfolio containing only stocks of domestic corporations, 77 per cent favored this type, although 52 per cent stated that the investment portfolio might also contain stocks of foreign corporations. It is pointed out, however, that many domestic corporations do a world-wide business or have foreign subsidiaries.

"Should there be a smaller number (23 or 30) of companies with very large average assets, or a large number (50 to 75) of companies with smaller average assets?" Of the replies, 72 per cent favored the smaller number of companies with very large assets. It is said that a large number of stocks makes the trust shares harder to sell and that the small number minimizes individual company objections.

Want Elimination

Stocks which do not prove satisfactory should be eliminated according to 92 per cent of the replies received. The question was asked: "Should methods of elimination be mandatory or should there be a limited degree of discretion which may consider other factors of importance at the time of elimination. Limited discretion is favored by 70 per cent of the replies, while mandatory elimination is favored by only 30 per cent. If limited discretion is exercised, by whom should it be exercised? was a question that brought fairly evenly divided opinion, 52 per cent favoring the trustee and 48 per cent of replies favoring the depositor. Among the comments on this question are "Plus recommendation of one or more statistical authorities" and "Both if possible, otherwise depositor, presuming the latter has a high standing both for integrity and ability" and "Trustee should not accept discretionary powers."

To determine the circumstances which would form a reasonable basis for elimination of stocks from the portfolio, the following circumstances were presented, and the following vote is given opposite each one.

Elimination after a dividend has been completely passed	45
Failure to pay a usual dividend as for example lowering a dividend	25
Failure of earnings to maintain a five-year average	79
Lowered Moody's rating	45
Inactivity on the exchange	66
De-listings from an exchange	103
Unavailability	116

Proceeds from the sale of an eliminated stock should be paid out in cash to the investor, according to 91 replies, while 53 would re-invest in another stock in the portfolio, 24 would re-invest in a stock not in the portfolio and 42 would re-invest in shares of the trust at cost price. The latter plan, as pointed out in one case, can be done without raising the question of discretion and it keeps all funds invested originally constantly employed in income producing stocks.

Consider Disbursements

The question of the distribution policy of various fixed types of trusts is investigated under five heads. The first question is: "What should the trusts include in a semi-annual distribution?" In the accumulative type of trusts, 172 replies favored cash dividends; 131, proceeds from sale of rights; 37, proceeds from sale of all stock dividends; 55 favored proceeds from sale of stock dividends under 10 per cent, or proceeds from sale of stock dividends resulting in fractional shares per unit, favored by 112. In the maximum distribution type, 83 favored proceeds from sale of new stock received in stock split-ups and from all stock dividends, and 47 favored proceeds from sale of actual appreciation only.

"When a fixed trust issues re-investment rights should the customer be allowed for full discount, or should a proportion of the discount be paid as a commission to the dealer?" Of the replies to this question 40 per cent, or 70 favored a full discount to the customer, while 60 per cent or 105 favored a part to the dealer.

Opinion Split on Reserve

Opinion is evenly divided as to whether there should be a reserve fund to stabilize dividends, 50 per cent, or 86 of the replies answering in the affirmative and an equal number in the negative. One commentator on this question answered, "Theoretically, no, practically, yes." Another holds that a reserve fund is not fundamentally sound but is a necessary selling argument in the distribution type of fixed trusts. Another says that it does not stabilize to receive your own money.

Opinion is still fairly evenly divided upon the question of how the reserve funds should be obtained, 52 per cent, or 55, who replied, favor reserve funds built up out of earnings, while 48 per cent, or 52, favor reserve funds paid in by the investor at time of purchase. Opinion is generally in favor of the reserve funds being maintained in cash, 77 of the replies favoring this as the most desirable position, while 33 favor a reserve maintained in bonds and only 10 favor reserves maintained in stock.

Favor Low Load

"Which is preferable, a low load and low commission to dealers, or higher load (eight to nine per cent) with more liberal dealer commissions?" Investment bankers answering this question favor by 62 per cent the low load and low commission to dealers, and only 38 per cent were in favor of the higher load.

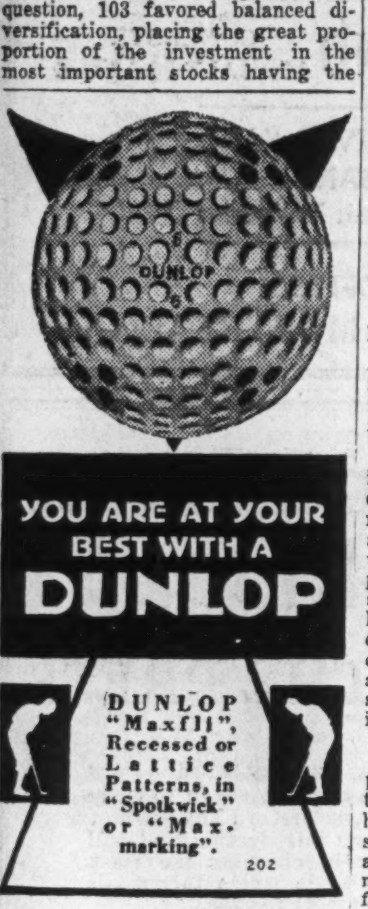
Continuing the investigation into the spread or load, the question is asked, "Just what is a sufficient distributor's commission to warrant intensive efforts in the sale of fixed trusts?" Replies to the number of 101 favored distributor commission of four to 4.9 per cent, while 34 favored three to 3.9 per cent and 38 favored five to 5.9 per cent, with a few replies in groups up to eight per cent. The majority of replies to the question "What part of this should go to the salesman?" place the salesman's commission at between 40 and 59 per cent, while 42 place the figure at between 40 to 49 per cent, 47 between 50 and 59 per cent and 31, between 30 and 39 per cent, while 10 favored 20 to 29 per cent and 15 favored 60 per cent.

The trust shares should be priced on the current market with frequent changes in price, according to 68 per cent or 125 replies, while 32 per cent or 49 replies, state that the trust should be placed on yesterday's market and be held firm throughout the day. Listing of trust shares on exchange is of sales value according to 55 per cent of the replies, while 45 per cent or 77 do not believe listing of value in selling trust shares.

Conversion Fee Sustained

There are two methods of compensating a trustee for the market risks inherent in conversions of fractional units. One provides for the payment of a fee of 25 or 50 cents by the converter at the time of the conversion. This method is self sustaining. The other method takes care of the risk by a revolving fund. The conversion fee is favored as being the most satisfactory by 76 per cent of replies and the revolving funds is favored by only 24 per cent.

Censensus of opinion would place the duration of the fixed trust at some 15 to 25 years. There is a wide range of opinion as to just how long the trusts should run, six replies favoring a short term of some two years, 19 favored 10 years, 36 favored 15 years, 61 favored 20 years,



YOU ARE AT YOUR BEST WITH A DUNLOP

DUNLOP "Maxfli", Recessed or Lattice Patterns, in "Spotkwick" or "Max-marking".

202

Making Money in Common Stocks

Common stocks if they have been shrewdly chosen, and if they are well-managed, may easily provide startling profits. Shares of common stocks are being accumulated by investors at present levels.

To aid in taking advantage of the profit to be gained from such a policy, ten simple and fundamental rules regarding such investing are given in a booklet, "MAKING MONEY IN COMMON STOCKS," published by The Financial Post. Single copies may be obtained for 25 cents. This booklet is most valuable for the present use of investors.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Attached is 25 cents. Please send me a copy of "Making Money in Common Stocks."

Name ....

Address 667

Manitoba Pool Elevators Uncertain as to Future

From Our Own Correspondent

WINNIPEG.—With the hearing of argument at the beginning of the week E. K. Williams, K.C., has brought to a close the public hearings of the commission he had been conducting over several weeks into charges reflecting upon the management of Manitoba Pool Elevators brought by J. R. Murray, general manager of the Alberta Pacific Grain Company. His report is expected to be made to Premier Bracken within a week. Public interest in the matter is little concerned with the charges themselves, but rather with the possible recommendations of the commissioner as to the future of the pool elevators. That the pool cannot continue is taken for granted, appeared, as a matter of fact, to be taken for granted by the manager of the pool himself, at the close of the session. Deliberately he put on the record the fact that patrons of one pool elevator had signified a willingness to go on delivering their grain to that elevator only if they could drop their contracts for the pooling of grain. Mr. Murray, at the conclusion of his evidence and cross examination, stated that it was possible for successful and satisfactory operation of the elevators to be brought about, provided the management were sound, and farmers were relieved from contractual obligation to deliver grain. Such contractual obligation, he urged, eliminating the corrective influence of competition, had been responsible for the abuses on which his charges had been based. Pool selling of coarse grains, in Mr. Murray's opinion, should be definitely and permanently discontinued, but the pool selling of wheat, still offered possibilities of useful service, in his opinion, provided it should be divorced from such mistaken sales policy as had guided the pool in the past.

B. C. LUMBERMEN SEE BIG BOOST IN LONDON MOVE

Boycott of Russia and Trend to Canada Now Hoped For

From Our Own Correspondent

VANCOUVER.—A million dollars a year for the British Columbia lumber industry is foreseen in the announcement from London that the London County Council has decided to place all its lumber orders with Empire producers.

This is interpreted here as meaning that British Columbia will obtain the bulk of the London business in future inasmuch as this province is the chief softwood producer in the Empire. The lumber is to be used in a five-year building programme, so the benefits will be extended over a term of years.

"The best thing about this is that it will do more than anything else to give Canadian lumber a foothold in the highly competitive United Kingdom market," a leading lumber exporter told The Financial Post. "It is a fine advertisement as well as money in our pockets."

See Russian Boycott

Boycott of Russian timber is implied in the London County Council's decision, and there is likelihood of controversy among buyers because of the strong position in which Soviet lumber has established for itself. Importers of Russian lumber are not likely to accept the decision without a fight, but advices from the Old Country indicate a strong sentimental prejudice in favor of B.C. lumber and this, it is expected, will turn the scales in favor of the Canadian product.

"This is the first definite decision to use B. C. lumber on large public construction work in Britain," said F. A. Pauline, who recently retired as British Columbia's agent-general in London. "In the past there has been a general preference, but this has been subject to very elastic interpretations."

In the past most of the B. C. lumber sold in the United Kingdom has been of the heavy structural class or railroad ties. The new orders will be for general purpose material, such as sheathing, flooring and studding for houses. For these latter purposes Baltic, spruce and red pine have chiefly been used in the past.

According to reports received here, the London County Council contemplates the building of 30,000 wooden houses in the next five years and each house will require about 10,000 feet of general purpose lumber. This would amount to some 60,000,000,000 feet of lumber a year for five years.

In line with its programme of stimulating demand for B. C. lumber in Britain the B. C. Lumber & Shingle Manufacturers Association in partnership with the provincial government has appointed Loren L. Brown as full-time lumber trade commissioner to have offices in London and act as contact man between the industry here and buyers in the Old Country. Mr. Brown has long been identified with the lumber industry and some five years ago acted as B. C. lumber commissioner at Toronto.

SASKATCHEWAN COAL TO BE DEMONSTRATED

Government Will Send Publicity Car Around Province—Hit Alberta Fuel

From Our Own Correspondent

REGINA.—The government of Saskatchewan is planning an extensive campaign designed to promote the utilization of Saskatchewan lignite coal in the province. Although lignite coal has been mined in the province for forty years, the government believes that development of the industry has been retarded by lack of information, by the lack of proper equipment for burning the coal, and by insufficient educational propaganda.

A demonstration car has been equipped and is to be exhibited. This will show the most effective type of domestic stoves and furnaces for burning the Saskatchewan fuel, which requires larger firebox capacity, and larger grate area, combined with grates with small openings or of the non-sifting type. This is on account of the fact that the coal has a smaller heat value than some other coals, requiring the combustion of greater quantities, and a tendency to break up into small particles which are lost in the ordinary type of firebox. But a new range has now been produced, designed especially for the economical burning of Saskatchewan fuels.

Government buildings throughout the province are now being entirely equipped to burn Saskatchewan lignite.

The Insull interests, which control the central heating plants in Winnipeg are now negotiating for franchises to establish similar services in Saskatchewan cities. It is believed that if central heating plants are established it will open up new markets for Saskatchewan coal more rapidly, as experiments have shown that this coal is adapted for burning in the highly modern automatic system that would be installed.

Saskatchewan's coal needs are now mainly supplied from Alberta, although the Saskatchewan mines made some considerable progress during the past winter in enlarging their market. Progress made in utilizing Saskatchewan coal will be essentially at the expense of the Alberta coal industry.

T. G. Potter Becomes Member Montreal Stock Exchange

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange announced the election to membership of Thomas George Potter. The new member is one of the partners of Flood, Potter & Co., organized a few years ago.

The firm holds two exchange seats, Mr. Potter having bought one of them some time ago, but only presenting himself for election at this time.

Lake of the Woods Milling Select New General Manager

From Our Own Correspondent

MONTREAL.—Resignation of W. W. Hutchison as general manager of Lake of the Woods Milling Co. has been accepted by the board of directors. Mr. Hutchison has resigned on account of ill health.

N. J. Breen, heretofore western manager of the company, has been appointed general manager. Mr. Breen is already a member of the board of directors.

Turner Valley Drilling Report

Wells drilled by Imperial Oil

PROGRESS REPORT—Week Ending May 23, 1931

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled	Remarks
Royalite	4	S.	....	....	...	Shut down while waiting for special control-head to be made.
Lowery	2	R.	6433	6433	...	Washing out hole with water (375 ft. in lime).
S.W. Pete.	2	R.	5209	5310	101	Drilling in shale. (Home sand at 5,120 ft.)
Southern Lowery	2	R.	4052	4251	199	Drilling in lower Dalhousie sand.
Southern Lowery	3	R.	2845	3064	219	Drilling in Middle Dakota.
Ster. Pacific	1	R.	....	....	...	50 per cent fitted.
Merland	1	R.	5543	5543	...	Closed in with 1200 lbs. back pressure in an attempt to thaw.
Lethbridge	1	S.	2684	2729	45	Casing lowered to 2689 ft. underreaming.

NOTE: R—Rotary. S—Standard.

Is the C. N. R. a Success?

Sir Henry Thornton Was Given Two Big Jobs—To Make a Good Railroad and to Make It Pay

By FLOYD S. CHALMERS

ARTICLE ONE: THE PROBLEM OF THE C. N. R.

Results of operation of Canadian National Railways in 1930 were disappointing to most Canadians. There are various ways of expressing the financial results of the government-owned system. The profit and loss account of the system is published in its annual report. Usually this is the one account that is never mentioned in the press. It is however, the account most nearly comparable to the profit and loss account of a private business which is the thing an investor first looks at to find out what progress or otherwise has been noted.

The profit and loss account of the Canadian National Railways in 1930 showed a net loss after all charges and adjustments of $67,955,446. To this there must be added a net deficit on the eastern lines, which are now segregated in the accounts of the system, of $7,272,057, making the net loss for the year over $75,000,000.

Did It Lose $75,000,000?

Is this loss to be regarded as a fair picture of C. N. R. results in 1930? For example, this apparent loss includes interest charged by the company on its books (although not paid to the Dominion Government) on sums advanced from the public treasury for previous deficits, during the period of co-ordination of the railway. On the other hand the accounts allow nothing for interest on the large sums invested by the people of Canada in the Intercolonial Railway, which the C. N. R. uses and operates as part of its system.

The fact that no two opinions will agree as to whether the C. N. R. did or did not cost the Canadian people $75,000,000 in 1930 is sufficient reason for attempting to examine into the results of the first ten years of Canadian National Railways.

Many factors have contributed to making the finances of Canada's government-owned railway system a live topic for business men. The unsatisfactory showing made by all railroads on this continent in 1930 and the prospects that 1931 will see no improvement in this situation are of no small importance to the taxpayers of the Dominion for they are the owners of the longest railway system on the continent; they are bearing the burdens of that system and they are naturally perturbed to find that the railway continues to be a serious drain upon the national treasury. Whether or not the Canadian National Railways has done better than the average railroad in stemming the tide of decline in earnings is an important point but in attempting to answer a question of that character even experts might differ. But comparative results of C. N. R. operations are less important than the absolute results in their relation to the debt burdens and the level of taxation in Canada.

No General Understanding

Canadian National Railways is something of a religion in Canada. One is supposed to be either for or against. A majority of the newspapers in the country are frankly pro-C. N. R. and are ready to defend it against any criticism, whether in relation to operations, to methods of financing, to development programme or financial results. Obviously then there is a pronounced tendency to play up favorable figures and to explain away unfavorable results as due to general conditions. There is no general understanding of Canadian National Railways finances.

How Road Came Into Being

In discussing the financial results of the operation of Government-owned railways in Canada, we must have some idea of how the Canadian National Railways, which now embraces all Government-owned railways in Canada, came into being. Only by appreciating that Canada drifted from 1876 onward into Government railway ownership and operation can we appreciate how difficult are some of the legacies of annual deficits that have fallen to the Canadian National and how the Canadian National has come to have a balance sheet and an income account that defies the critical analysis even of the experienced railway accountants.

Canada went into the business of railway construction and operation as part of the contract of Confederation, when the Intercolonial Railway and the Prince Edward Island Railways were built, and opened more than 50 years ago. Various branch lines were built from time to time and today the Intercolonial Railway is part of the Canadian National system and one of the liabilities in its balance sheet is the entire capital expenditures that have been made on this railway by the Canadian people, both before and after Canadian National Railway days.

An even more extensive government railway project was the National Transcontinental Railway, which was started in 1903, when the Dominion Government undertook to build and present to the Grand Trunk the Moncton to Winnipeg portion of a transcontinental line. It was provided that this railway was to be operated by the Grand Trunk Pacific Railway, but, in fact, by the time it was completed in 1915, the affairs of the Grand Trunk were so involved, that the G. T. P. has never been anything but a government railway.

In 1917, the Canadian Northern Railway built and financed up to that time by the Mackenzie-Mann interests, was acquired by the Government, and while the Government only paid $10,000,000 for the $100,000,000 of capital stock, the capital stock of the Canadian National Railways is included in the balance sheet of the C. N. R. at full face value.

Grand Trunk Acquired

The insolvency of the Grand Trunk Pacific led to the appointment of a receiver who was the Minister of Railways and in 1920 this road was transferred to the Canadian National. The Grand Trunk Railway was acquired about the same time, and provision was made that the consideration to be given to the shareholders would be submitted to arbitration. The arbitrators ruled that the shares were of no value, and the Canadian Government acquired them without cost.

Here again, although it was ruled that the shares had no value, they are included in the liabilities of the Canadian National Railways at their full face value of $165,000,000. All these three groups of railways, —the Canadian Government line, the Grand Trunk and Grand Trunk Pacific lines and the Canadian Northern lines—were finally unified into a single system in 1923, and it became the job of Sir Henry Thornton, who had been appointed chairman, to make of this unrelated group of railways, one efficient railways system. No mean job, and one which has been, admittedly, handled to good advantage!

The Canadian Government railways were obviously no valuable asset in themselves, for they had not had even an operating surplus since 1911 and had, in the years since Confederation, piled up a total operating deficit of $53,000,000. The arbitrators apparently felt that the Grand Trunk Railway had got into such a financial condition that it was worth no more than the bonds at most, while the Grand Trunk Pacific would obviously not even have paid its bond interest had this not been guaranteed in the case of each issue, either by one of the provinces or by the Grand Trunk itself. The National Transcontinental was a bold experiment but as yet very much an experiment. And in view of the heavy direct and contingent obligations of the Canadian Northern Railway it is doubtful if one cent, rather than ten millions of dollars, would have been awarded to the owners of the common stock had the arbitration in connection with the acquisition of those shares been conducted two years later than it was. These lines, with some smaller railroads more or less affiliated with the three chief units mentioned, became the Canadian National Railways that was to be made into a single profitable railway structure. It is hardly surprising that even by a method of accounting that allowed nothing for the return on the investment in the Intercolonial and Nation Transcontinental and that allowed nothing for interest on past deficits, the various railways as individual entities had cost the taxpayers of Canada, $55,000,000 in 1919, $80,000,000 in 1920 and $70,000,000 in 1921.

Thornton's Great Chance

But if Sir Henry Thornton and the new management of the Canadian National Railways assumed a disorganized, un-correlated group of individual railway failures, they also assumed the glorious opportunity of unification and correlation. They were given, practically, carte blanche to cut expenses, to tear up certain duplicated tracks, to run one train where two ran before, to go aggressively after revenue with the backing of Canadian Governmental prestige. They were starting with as bad a mess as it would have been possible to hamper them. They really could only move in one direction—that is toward improvement; they could hardly do worse than the railroads were doing at that time, and they had all the advantages that cheap borrowing by Governmental credits, elimination of attacks from dissatisfied shareholders and a progressive and growing country could give to them.

The task given to Sir Henry Thornton and his associates was really dual in nature.

1. They were to rebuild these railways and make of them modern efficient service institutions that would become factors in the dispatch of Canadian business, and in the development of economic Canada.

2. They were to make of these white elephants one profitable institution that would return to the people of Canada something of the enormous sums that have been invested therein, and to stop the drain upon the public treasury that resulted from constant demands for public funds to meet interest obligations and to pay deficits in operation.

The purpose of the succeeding articles in this series may well be to determine the measure of success in these two directions.

Canadians Take Over Air Service on Coast

From Our Own Correspondent

VANCOUVER. — British Columbia interests of the Alaska-Washington Airways will be taken over by a Canadian company, to be headed by Richard J. Gosse, who until recently was managing director of B. C. Packers, Ltd. The company will maintain a service between Vancouver, Victoria and Seattle. Expansion is planned at an early date.

R. P. Butchart, Victoria capitalist and leading figure in the coast cement industry, will be one of the British Columbia directors.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

Broder Financial Agency
Financial Agents
Real Estate Loans
Insurance
1812 Rose St. Regina, Sask.

C. H. ENDERTON & CO.
Established 1890
Real Estate Investments, Mortgage Loans, Insurance, Rentals, Stocks and Bonds
Members Winnipeg Stock Exchange
222 Portage Avenue,
WINNIPEG

5½%
Guaranteed on your savings
By CHAMPION-SIMMONS INVESTMENT CORP. LTD.
Send information to—
Mr. ....
....
4023 Kerr Bldg. Regina Sask.

Weber Bros. Agencies Limited
PROPERTY MANAGEMENT
REAL ESTATE—INSURANCE
FINANCIAL AGENTS
Edmonton Credit Building,
Edmonton, Alberta

Maritime Fur Farms Active

At a recent meeting of the Maritime Fur Farms, Ltd., it was reported that there are 1,000 pairs of muskrats at its local ranch. The company also operates a ranch at Moore's Mills, Charlotte County, N.B.

OSLER, HAMMOND & NANTON
LIMITED
WINNIPEG
STOCKS and BONDS
INSURANCE—FIRE, HAIL, CASUALTY, etc.
MORTGAGE INVESTMENTS

"An Address of Distinction"

Summer Days Are Comfortable . . . Here

SUMMER days in Chicago are comfortable...at THE DRAKE. Pleasant . . . spacious . . . airy rooms and an ideal location . . . overlooking Lake Michigan . . . Beach, bridle paths . . . Lincoln Park . . . and other attractions immediately accessible. *Rates begin at $4 per day. Permanent Suites at Special Discounts.*

THE DRAKE
HOTEL, CHICAGO
Under Blackstone Management

MOOSE JAW

Industrial Centre of the West

Abundant and low cost electric power in Moose Jaw is the chief magnet that has drawn industry.

Moose Jaw is the headquarters of the Robin Hood Mills, who operate the largest oat milling plant and the second largest flour milling plant in Western Canada. The Swift Canadian Company and Harris Abattoir operate large packing plants and abattoirs used with the Southern Saskatchewan Stock Yards also located in the city make it the largest live stock centre in the province.

Other outstanding activities in Moose Jaw include: Headquarters in Western Canada for four large lumber companies; a Dominion Government elevator with capacity of five and a half million bushels; a registered seed grain plan; and manufacturing enterprises producing brick, tile and pottery, creamery products, sash and doors, builders' supplies, iron foundry products. An oil refinery is now operating in Moose Jaw and in April of this year a new plant for the manufacture of auto tire accessories has just opened. An English firm, manufacturers of steam turbine engines has, in the last month, established in Moose Jaw their headquarters for Western Canada.

Surrounded by a rich agricultural area with high buying power, with the lowest net per capita debt in Canada, excellent labor supply, and situated in the heart of Western Canada, Moose Jaw is destined to rapid industrial development.

Co-operation of an exceptional nature is assured from both the City Council and Board of Trade to industries locating here.

◆

For further and more detailed information regarding opportunities offered by Moose Jaw, Write:

The Commissioner,
THE BOARD OF TRADE,
MOOSE JAW, Saskatchewan
or
The Industrialization Committee,
MOOSE JAW, Saskatchewan

Canadian Mining News

HOWEY GOLD'S FOUR MONTHS RESULTS FAIR

Gradually Retiring Sizable Loan From Company's Officers

ORE RESERVES HIGHER

Average Recovery is $4.17 Per Ton; Changes Being Made to Reduce Costs

Howey Gold Mines is steadily improving its position according to information obtained by The Financial Post.

For the first four months of the current year the company shows an operating profit of 35 cents per ton, after interest charges on advances made by company officials.

The following is an income and surplus account for the four months ended April 30, 1931:

INCOME AND SURPLUS ACCOUNT
Four Months Ended April 30, 1931

	$
Bullion produced	249,428
Less operating expenses:	
Development	8,850
Diamond drilling	662
Outside explor.	180
Mining (stoping)	111,745
Box holes	8,152
Slashing	1,776
Crushing & convey.	12,074
Milling	53,374
General expense	19,696
Interest	13,211
Operating earnings	19,707
Less write-offs:	
Depreciation	36,090
Pre-production charges	34,479
Compensation adjust.	627
Deficit	51,488
Adjust. in 1930 oper. acct.	1,868
Net deficit	49,620

The item of general expenses includes management, clerical and auditor salaries, but does not include any salaries for directors or officers of the company, their services being given gratis.

Interest Charges Lower

The interest charges represent 7 per cent on outstanding loans, which at April 30, amounted to $556,403. This interest was equivalent to 23 cents per ton on the ore treated. During April it had been reduced to 20 cents per ton, owing to monthly payments of $15,000, plus interest, being made on account of principal. Each succeeding month shows this charge diminishing.

From the net operating profit of $19,707, a liberal write-off for depreciation and pre-production expenses has been made, leaving a net deficit of $49,620. While this appears on the income account as a deficit, in reality it would be transformed to a net profit of approximately $13,000 if credit were given for the ore broken in the stopes during the period, in excess of ore milled. During the period under review the average daily tonnage of ore milled was 480, whereas the ore broken averaged approximately 1,000 tons per day, or a gain of approximately 62,500 tons, during the period, over milling requirements. The cost of breaking this ore is approximately $1 per ton.

The company has written down its plant and transmission line at the uniform rate of 10 per cent per annum. Pre-production development charges were written down at the rate of 60 cents per ton, bringing the total write-off charges to the equivalent of $1.22 per ton. This compares with 63 cents per ton at Teck-Hughes, $1 per ton at Coniaurum, 99 cents at Sylvanite and 74 cents per ton at Vipond; all of these producers have a production comparable with Howey.

Recovery from 57,465 tons of ore treated in the first four months of the current year gave a bullion production of $249,428, equivalent to $4.35 per ton or a daily average of 480 tons of ore treated. This compares with a recovery of $460,859 from 110,438 tons of ore treated in the nine months the company was in operation during 1930(which was an average recovery of $4.17 per ton from an average of 410 tons of ore treated daily.

Operating costs are gradually declining. From a total average for the first four months of this year of $4 per ton, they had declined, in April last, to $3.74 per ton. The following is an analysis of operating costs for the four months ended April 30:

Production Costs Per Ton of Ore
Four Months Ended April 30, 1931

Devel. and explor.	$0.17
Mining	2.11
Milling	1.14
Taxes and marketing	...
Gen. and adminis. expense*	.58
Total operating costs	$4.00
Deprec. and write-offs	1.22
Total costs per ton	$5.22

*Includes 23 cents per interest charges on loans.

Now that the company has over ten months' broken ore supply in its stopes, for current mill capacity, it is not essential that more broken ore be provided and the curtailment to actual milling requirements would mean a further reduction in costs of approximately $1 per ton.

The company's current operating cost of $4 per ton compares with $4.10 per ton for Hollinger, $6.59 per ton for Teck-Hughes, $5.50 per ton for Coniaurum, $4.80 per ton for Vipond and $8.07 per ton for Sylvanite.

Broken Ore Reserves Good

As at April 30, 1931, the broken ore in the stopes, above the 1,000 ft. horizon, the lowest workings, amounted to 145,939 tons, approximately 10 months' supply for current mill capacity. During the first four months of this year approximately 62,500 tons of this amount was broken.

The latter part of this month a new hand-sorting plant will come into operation, when it is proposed to pick out approximately 10 per cent of the hard black porphyry rock before crushing. This will not only increase the mill heads, but increase the milling capacity, as this barren black porphyry is harder to crush than mill ore. It is anticipated that with this sorting plant in operation that the present mill, rated at 500 tons daily capacity, will treat approximately 600 tons of ore hoisted. This increased tonnage will not increase the power costs since the company pays for its power on a minimum of 2,000 h.p. from the hydro-electric plant at Ear Falls, 45 miles distant.

The balance sheet as at April 30 shows current assets of $84,777 including $10,000 deposit with the Ontario Hydro Electric Power Commission. Current liabilities total $594,577 including loans of $556,405, making current liabilities $509,800 in excess of current assets. All of the authorized capitalization, $5,000,000 in $1 par value shares, is outstanding.

Change in Management

The announcement last week of the appointment of Fraser Reid as general manager (to succeed Horace G. Young, who resigned) brings to the organization one of the best known mine managers in Ontario, who made an enviable reputation for himself as manager of the old Coniagas Mines at Cobalt. Mr. Young has piloted the property from a prospect, isolated from other camps and 110 miles from the railroad, under handicaps not known to other Ontario gold producers. The low production costs he established for this new producer are believed to set a record in the annals of Ontario gold mining.

With Mr. Reid comes a new director, H. C. McCloskey of Toronto, succeeding R. Home Smith. Mr. McCloskey is well known in mining circles and was the manager of the old McKinley-Darrah-Savage Mines in Cobalt.

There is apparently no foundation for the rumor that Mr. Reid has joined the organization as a representative of the Coniagas Mines. While Mr. Reid will continue as general manager of Coniagas Mines, now only a holding company, his association with Howey is purely a personal one.

Mr. McCloskey's entry to the organization is likewise purely a personal one and does not represent any connection with the McKinley Mines Securities, he having severed relations with that company two years ago.

Merland's New Well Goes on Output Test

Merland Oil Co., which has just encountered a large wet gas flow further south than any other Turner Valley producer, is to be placed on a production test at once.

This well, known as No. 1, has met with ill fortune since November, 1929, when it was spudded in. It originally blew in, from a depth of 4,470 ft., with a gas flow estimated at from 20 to 30 million cu. ft., but this flow diminished and it was decided to deepen it. Towards the end of 1930 deepening operations were resumed and the present flow is the fruit of this later work.

After paying a royalty of 12½ per cent of the production to the Calgary & Edmonton Corp. and the government tax, the production is divided between the company and Imperial Oil, Ltd.

How to Investigate Mining Stocks

Before you buy a mining stock is the right time to investigate the property and get the true facts from an impartial and authoritative source.

That source is a 224-page book — the last Financial Post Survey of Mines — which gives the facts about all the mines and prospects in Canada and Newfoundland, and is the recognized record of authority.

There is much interest now in gold stocks. Many companies have done well by investors in the last six months and have promise of still further appreciation.

If you are interested in gold or any other mining stocks, your first investment should be $2.00 for the Survey of Mines. It will be sent you postpaid at once if you mail the coupon with your $2.00 now.

INVEST IN ACCURATE INFORMATION

THE FINANCIAL POST,
153 University Avenue,
Toronto, Ont.

Attached is $2.00. Please send me a copy of The Financial Post Survey of Mines, 1930, so I can get the facts about Canadian mining properties.

Name ....

Address 665

ORE RESERVES OF DOME MINES ARE INCREASING

Extensive New Ore Body Grades Over $5 Per Ton

From Our Own Correspondent

At the annual meeting of Dome Mine shareholders, held in Toronto on May 26, it was announced that ore reserves had increased from 1,900,000 tons, as shown on December 31, to 2,000,000 tons at the present time.

Last month a new ore body on the No. 11 level was encountered. This new ore body, not known to be related to others developed, has been delimited to the extent of 100 ft. in length over a width of 30 ft. The average grade of ore is between $5 and $6 per ton, it was stated. On the 18th level, diamond drilling encountered ore west of the known ore bodies, and a winze is now being sunk below this horizon. Developments on the lowest or 23rd level were not encouraging, shareholders were told.

The new mill is treating 1,500 tons of ore daily, with a tailings loss of about 30 cents per ton

In response to a question by a shareholder, it was announced that the directors as a body had not considered the purchase of the adjacent Schumacher property. It is known that the asking price for this property was around $1,000,000 and at such a figure apparently Dome directors are not interested.

Made Progress Since Fire

The company's investments in bonds have shown a marked shrinkage, it was announced. On October 28, 1929, the date of the fire which destroyed the company's mill, these investments stood at $6,187,421. At the present time the market value of the company's holdings is $5,091,146.

Since the fire $1,430,000 has been paid in dividends and a new mill constructed. Recovery from the time of the fire to March 31, 1931, was $1,790,670, of which $534,848 was from clean-up after the fire. Bullion on hand and in transit at the present time was given at $172,107.

No reference was made at the meeting to the company's South African interests At the present time H P. DePencier, general manager of the company, is returning from visiting South Africa and it is regarded as probable that, after his return, some statement will be forthcoming.

The meeting was routine in nature, the existing board of directors being re-elected for the ensuing year.

Values Higher On B.C. Silver Than Premier

At a recent meeting of Selukwe Gold Mining & Finance Co., in London, Eng., shareholders were told that B. C. Silver Mines, adjoining the Premier mine in the Portland Canal mining division of British Columbia, had commercial ore values slightly higher than those of the neighboring Premier mine.

Selukwe, through its wholly-owned subsidiary, British Canadian Silver Corp., owns the controlling interest in the B. C. Silver Mines, and of the balance, Premier Gold Mining Co. owns about 38 per cent. The property consists of 17 claims in two groups, one on the south and the other on the north side of Premier, and owing to this favorable location negotiations have been pending for some years for Premier to manage the property and treat its ore. Premier has ample mill capacity, but terms could never be arranged that were satisfactory to both parties.

The principal development at B. C. Silver, during the past year, has been on the sixth level, where an ore zone over 2,400 ft. in length has been disclosed and where four ore bodies have been found.

At the Selukwe meeting, shareholders were told by the company's engineer, that developments had not altered his earlier estimate of between $6,000,000 and $10,000,000 as being a reasonable production to expect from the property. The commercial ore values were reported to be about 60 per cent in gold and the balance in silver, and to be fractionally higher than the neighboring Premier mine.

SHERRITT GORDON MEETING EXPENSES

Shareholders Told Costs Are Level With Copper Price

Shareholders of Sherritt-Gordon Mines met on May 19, and were told that so long as copper does not drop below 9 cents per pound, operations would continue.

Halstead Lindsley, president of the company, said production costs were just about 9 cents per pound, and with copper at that price the company would about break even.

One of the three units of the concentrator is in operation, and the second unit is practically ready to go on a production basis whenever copper prices warrant increasing production.

The meeting was routine in nature, the existing board of directors being re-elected for the ensuing year.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

We Recommend the Purchase of

Lake Shore Hollinger
McIntyre Teck Hughes
Dome Sylvanite
Wright-Hargreaves

Write for latest information.

G. W. Nicholson & Co.
Members
Standard Stock & Mining Exchange
302 Bay Street Toronto
Elgin 5317

McINTYRE MINE REPORTS PROFITS AT PEAK FIGURE

$1.62 Per Share Shown After Writeoffs; $1.44 For Previous Year

RECORD PRODUCTION

Gain Per Ton is $1.95, Compared With $1.75 for 1930; Average Recovery is $8.30

The nineteenth annual report of McIntyre Porcupine Mines, for the fiscal year ended March 31, 1931, revealed no surprises, but showed continued steady progress, with net profits, production and ore reserves the highest in the history of the company.

Net profits amounted to $2,292,544, equivalent to $1.62 per share, as against dividend requirements of $1 per share, and as compared with a net profit of $1.44 per share the previous year. Earnings have reflected the steady growth of the company over a number of years.

The following is a comparative income and surplus account for the past three years:

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1931 $	1930 $	1929 $
Oper. inc.	4,633,323	4,457,001	4,212,625
Less oper. exp.:			
Mining & dev.	1,794,694	1,716,516	1,626,125
Crush. & convey.	98,463	83,717	73,483
Milling	419,119	380,391	372,348
Miscel. costs	45,185	49,421	64,337
Mine, gen. exp.	76,335	97,636	83,805
Gen. exp. H.O.	90,173	81,874	81,225
Stock trans. etc.	5,694	6,767	8,128
Insurance	17,712	14,842	15,462
Net oper. earn.	2,086,048	2,025,837	1,887,712
Add non.op. rev.:			
Int. & disct.	139,812	148,679	125,366
Miscellaneous.	66,684	19,981	5,390
Total net earn.	2,292,544	2,194,497	2,018,468
Less reserves:			
Taxes	158,168	122,198	115,154
Workmen's compensation	37,838	......	26,949
Deprec.	355,570	258,305	355,099
Develop. w.o.	33,437	157,888	230,960
Develop. out. props. w.o.	8,849	96,614	......
Gen. reserve	400,000	400,000	251,018
Sundry adj. dr.	5,203	12,889	......
Net profit	1,293,484	1,146,603	1,043,981
Less: Divds.	798,000	798,000	798,000
Surp. for year	495,484	348,603	245,981
Add: Prev. surp.	4,158,139	3,809,536	3,663,555
Bal. forward	4,653,623	4,158,139	3,809,536
Earnings per Share and Divds. Paid:			
Earned	$1.62	$1.44	$1.31
Paid	1.00	1.00	1.00

Production, both in point of tonnage and recovery value, is the highest in the history of the company. Practically all the ore treated came from above the 2,750 ft. level. The tonnage treated from below that horizon to the 3,875 ft. level, the lowest working level, was taken in accordance with the company's policy of treating all development rock assaying $1 or more per ton.

The following is a tabulation of production, since commencement of operations:

PRODUCTION

Periods ending	Tons milled	Recovery per ton	Total value
Dec. 31, 1912	14,500	$5.25	$ 76,166
Dec. 31, 1913	31,979	7.05	225,752
Mar. 31, 1915	85,664	8.39	718,332
Mar. 31, 1916	105,758	7.38	779,991
June 30, 1917	195,307	9.55	1,864,914
June 30, 1918	178,327	9.61	1,714,258
June 30, 1919	179,874	9.29	1,671,646
June 30, 1920	188,835	11.02	2,080,178
June 30, 1921	171,916	11.08	1,904,326
June 30, 1922	193,971	9.99	1,937,105
June 30, 1923	240,615	9.35	2,249,742
June 30, 1924	360,140	9.14	3,291,178
June 30, 1925	400,259	8.86	3,546,638
June 30, 1926	460,909	8.25	3,804,775
Mar. 31, 1927	385,409	7.67	2,957,061
Mar. 31, 1928	520,460	7.66	3,987,635
Mar. 31, 1929	538,165	7.83	4,212,625
Mar. 31, 1930	550,495	8.06	4,433,627
Mar. 31, 1931	558,115	8.30	4,633,141
	5,360,688		$46,089,090

Production costs as in the previous three years vary but little. The following is a comparison of operating and total costs for the past four years:

Production Costs Per Ton of Ore
Years Ended March 31

	1931 $	1930 $	1929 $	1928 $
Devel. & explor.	0.91	0.85	0.80	1.35
Mining	2.30	2.27	2.22	2.14
Milling	1.01	.93	.93	.95
Taxes	.28	.22	.22	.15
Gen. & adminis. exp.	.41	.37	.37	.38
Total oper. costs	4.91	4.64	4.54	5.07
Deprec. & write-offs	1.44	1.66	1.60	1.22
Total costs per ton	6.35	6.30	6.14	6.29
Recovery per ton	8.30	8.05	7.88	7.66
Profits per ton	1.95	1.75	1.69	1.37

Important New Area Indicated

During the fiscal year, a crosscut on the 3,750 ft. level was extended southeast into what is known as the company's Platt Vet claims. This crosscut was of an exploratory nature into a new area not yet prospected. From the face of this crosscut a diamond drill hole was pointed in a southerly direction and recent results, states J. P. Bickell, president of the company, have indicated ore deposits assaying well above mine average. He further comments on this discovery, saying as this area is separate and distinct from the Pearl Lake shear zone, which has supplied all the company's ore up to the present time, he feels justified in considering these new discoveries as of major importance.

Ore Reserves Increase

Ore reserves show a substantial increase, having regard for the production taken during the year, and are now, after 19 years of production, the greatest in the company's history.

The following is a comparison of ore reserves over the past few years:

Ore Reserves
As at March 31

Year	Tons	Assay	Value
1922	718,198	$10.37	$ 7,452,467
1923	858,504	9.92	8,514,800
1924	1,167,064	9.70	11,313,816
1925	1,348,283	9.20	12,428,903
1926	1,443,111	9.00	13,038,041
1927	1,675,898	8.43	14,130,220
1928	1,841,215	8.35	15,376,165
1929	2,026,279	8.00	16,179,205
1930	2,345,676	8.30	19,417,424
1931*	2,562,465	8.00	20,480,964

*Including 235,325 tons of broken ore.

R. J. Ennis, general manager of the company, in commenting on its affairs, said—"Several years ago we were seized with the idea that flotation might be economically applied to our metallurgical practice. Experimental work was undertaken on a small scale and the result thus obtained encouraged us to enlarge the effort. As a consequence a 200 ton flotation unit was added to the old mill and investigations continued on a commercial scale. Having satisfactory confirmed the original results, and fully convinced that the old mill could not be maintained for the life of the property, the following recommendations were made.

"That the benefits of the improved metallurgical practice should be utilized with the least possible delay, and the mill capacity increased from 1,500 to 2,000 tons per day. That the old plant, located at three different points on the property should be centred and modernized at one point, and logically in the vicinity of the new or No. 11 shaft.

"These recommendations were approved in June last year. On August 1, 1930, the first ground was broken for the new mill. The mill, shops and store house were closed in and the foundation and steel superstructure on the change house and office were completed before the winter season interfered seriously with outside operations. The mill has now progressed to the stage where it will be treating 1,500 tons per day by June 1, and will be gradually brought up to 2,000 tons capacity within the following 60 days."

"Mr. Bickell referred to the new mill as diminishing the cost of transporting ore to the minimum. Its operation, he said, as soon as the ore is reduced to about 60 mesh, is to route it to the flotation section of the mill, where a very complete separation is made between the sulphides, plus the free gold and the almost barren rock. The latter is immediately discarded as waste and only the valuable portion, amounting to approximately 15 per cent of the original ore by weight, is retained in the mill circuit for fine grinding, and cyanidation of the gold content. In other words we are saved the cost of fine grinding and cyaniding that portion that is discarded at the end of the flotation process.

Parco to Drill Milk River Well For Nordon Co.

Nordon Corporation has completed arrangements with the Parco Oil Co. Ltd., whereby that company will drill a deep test well on an area geologized by Nordon. The well is to be known as Twin River No. 1, and will be located in L. S. D. 16, section 34, township 1, range 20, west of the 4th meridian, about 25 miles west of the town of Milk River, Alta., and about six miles north of the Montana boundary.

The Parco Oil Co. is a subsidiary of Producers and Refiners Corp., which in itself is a subsidiary of Prairie Oil & Gas Co., which has its head office at Independence, Kansas. Prairie Oil & Gas is one of the very large operators in the mid-continent field and is an offshoot of the Standard Oil Co.

The drilling of Twin River No. 1 well by Parco follows out Nordon's policy of doing no deep drilling itself, but making arrangements on an acreage basis with well-established companies.

Nordon's Buttonwillow well in California has been recemented with an additional 500 bags of cement and will resume drilling about the end of May.

CAS.-TRETHEWEY REPORTS DEFICIT FOR LAST YEAR

Operating at $201,088, is Down From $383,767 For Previous Period

Annual report of Castle-Trethewey Mines for the fiscal year ended March 31, 1931, shows a deficit of $20,706 with no provision for write-offs, as compared with a deficit of $9,770, the previous year after write-offs of $88,177.

Although operating costs were reduced, the declining price of silver and the extensive exploration programme carried out from the Capital property shaft, made a deficit from operations that forced the property to close down in February last.

The following is a comparative income and surplus account for the past three fiscal years ended March 31:

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1931 $	1930 $	1929 $
Operating inc.	201,088	383,767	546,937
Less oper. exp.:			
Develop. & mining	146,081	197,167	212,138
Tram. & hoist.	24,896	28,646	30,283
Milling	34,778	50,755	54,101
Smelt., refin., ship.	18,752	22,922	29,752
Other camp costs	4,764	3,059	2,273
Manag. & gen. exp. at mine	17,054	16,355	15,573
Adminis. exp. H. O.	14,066	15,912	15,145
Insurance	4,939	4,756	4,808
Munic. taxes & rent	1,279	862	706
Net oper. profit	66,521	43,433	182,158
Add non-op. inc.	44,815	34,974	23,562
Net earnings	*20,706	78,407	205,720
Less reserves:			
Deprec.	......	57,247	56,276
Devel. undistrib. w.o.	......	30,930	1,217
Tax reserve	......	......	6,594
Net profit	*20,706	*9,770	141,633
Surplus for yr.	*20,706	*9,770	141,633
Add prev. year's surp.	669,188	674,293	533,970
Adjust. dr.	5,849	......	1,309
Adjust. cr.	......	4,665	......
Surp. to balance sheet	642,633	669,188	674,294

*Deficit.

The balance sheet shows the company to be in a good cash position. Liquid assets total $918,968, of which $708,380 is in marketable securities at not exceeding market values. Current liabilities total $16,725, leaving a net working capital of $902,243.

Production for the year amounted to 29,691 tons of ore milled, from which was recovered 611,865 oz. of silver and 94,173 pounds of cobalt, valued at $191,729. This compares with 45,302 tons of ore milled and a recovery of 831,307 oz. of silver and 32,656 pounds of cobalt, valued at $383,767 in the previous year. Total production since commencement of operations ten years ago is valued at $3,655,666.

Operations during the year centred in the exploration of the keewatin and diabase contact on the 800 ft. level from the shaft of the Capital property. After driving 1,050 ft. through the keewatin rock and 300 ft. beyond the dipping contact into the underlying diabase rock, a high-grade silver vein was found. A number of other veins, five of which contained ore, were located by further exploration. A total of 5,274 ft. of development work was done during the year, of which 3,818 ft. was from the Capital shaft.

Okalta Curtailing Costs To Build Dividend Fund

At the shareholders' meeting of Okalta Oils in Calgary on May 18, it was announced that expenditure would be curtailed in order that a fund may be built up for the payment of dividends on the preferred shares.

At the No. 1 well, a cementing job between casings has been completed. The well is now reported in first class condition, but it is too early to estimate what production will be. No. 2 and No. 3 wells are producing respectively 30 and 20 barrels of crude naphtha daily.

On the subleased part of section 36, now being drilled by the Dome Oil Co., which Okalta has a 20 per cent royalty interest, it was stated that casing is to be cemented, and that then drilling will continue to the producing horizon.

ABANA MINES BONDS MAY BE TAKEN UP IN PRIVATE DICKERS

Shareholders Ignore Offering—Mining Corp. Good-Natured Creditor

Abana Mines' directors, still struggling with financial problems, are now negotiating with private interests to take up a portion of the recent bond offering.

The extension of the time limit to May 15, for Abana shareholders to exercise the right given them to take up bonds at par and receive a bonus of 100 common shares, did not meet with the desired response, and it is understood that relatively few exercised this right.

The present negotiations are understood to be with private interests, on the basis of offering the bonds at below par and cancelling the offer of bonus stock.

On April 28, shareholders approved of the formation of the new company with a capitalization of $6,000,000 in $1 par value shares and an authorized issue of $500,000 in 7 per cent five-year convertible debenture bonds, redeemable at any time on 30 days' notice Only $350,000 of these bonds were to be issued at first, and Mining Corp., the principal creditor, agreed to take $100,000 in bonds as part payment of the debt owing them, provided the balance could be subscribed.

Time has played an important part in further involving Abana's financial tangles. Not only as time passed has Abana become more financially involved, but the drop in copper and zinc prices has made investment in this class of mining less attractive and the internal strife has further curbed serious efforts at financing which at one stage seemed likely to be successful.

The present board of directors are making a sincere effort to salvage the company and again regain title to the company's property, now held by Mining Corp. for advances.

Mining Corp. has given every evidence of being willing to co-operate, even to the extent of accepting payment of the majority of its advances in bonds, and it is now up to the present board to work out of its difficulties.

SUMMER'S WORK KIRK. LAKE GOLD VERY IMPORTANT

Hopes Grow Stronger For Improvement at Deeper Levels

From Our Own Correspondent

KIRKLAND LAKE.—The deep development programme of Kirkland Lake Gold Mines is moving steadily forward and by the latter part of June it is expected that crosscutting will be under way at the three new levels, the 4,450, 4,600 and 4,750 ft. levels. By the first part of August this work should reach the main ore zone.

As the work has been carried downward, encouraging improvements in ore values have been noted and more than usual importance therefore now attaches to the results to come from the work at these three deepest levels. In the meantime, good ore is being developed at the 4,300 ft. level and this lends further fuel to the hope that a further improvement will be found at the deeper levels.

Is Deepest Mine in America

The work in the ore shoot found to the south of the main zone, at the 27th level, has been carried westward, toward the adjoining Macassa, and has disclosed commercial widths of ore averaging around $10 to the ton.

Meanwhile, some of the higher grade ore developed on the lower levels is being sent to the mill. Recovery is running at a rate close to $600,000 annually. Although recovery could be increased very considerably by sending more of the high-grade from the lower levels to the mill, officials are following the more reasonable and wise policy of diluting the higher grade material with the low grade from the old workings.

Not only is the deep work on the Kirkland Lake Gold of vital importance to that concern, but this work represents very important pilot work for the neighboring properties. The new and deeper workings of the Kirkland Lake Gold represent the deepest among the gold mines of this continent.

Siscoe Gold Considering 500 Ton Mill

Siscoe Gold Mines, which increased its mill capacity from 100 to 150 tons daily, early this spring, now is considering a further increase to 500 tons, according to well informed circles.

April production was $65,798 or an average recovery of $14.73 per ton, while the daily average of ore treated was 159 tons.

Last fall N. A. Timmins and associates purchased 150,000 shares at 50 cents each. At the same time an option was acquired on 600,000 shares at a price averaging approximately 60 cents per share. This option expires on 150,000 shares on September 1, next. On February 1, 1932, the option on 200,000 shares expires and on August 1, 1932, the option on the balance, or 250,000 shares, expires.

Nico Vanadium Mines to Begin Diamond Drilling

Nico-Vanadium Mines which recently was incorporated to take over the Patterson LaSalle Copper Mines on a four-for-one basis, has contracted for a diamond drilling programme on its Sudbury property. Operations are to start at once.

In taking over the Patterson LaSalle, all outstanding obligations were cleaned up and funds provided to carry on with the development programme. The company's property consists of a gold-copper-nickel prospect comprising 400 acres in Drury township, Sudbury district, Ontario.

The capitalization of the new company is $2,000,000 in $1 par value shares of which 500,000 have been issued to the former shareholders of Patterson LaSalle.

No new stock is being offered until diamond drilling results are known.

Pays Since 1906, Nipissing at Last Passes Dividend

As was intimated at the annual meeting on April 27, Nipissing Mines has passed its quarterly dividend, normally payable July 20.

Dividends of 30 cents per share, payable quarterly have been paid since 1927, and previous to that a higher rate prevailed. The company, which has been a continuous dividend payer since production started in 1906. Total dividend distributions have amounted to $29,850,000, which is the record for a silver mining company operating in the Dominion.

The continued low price of silver, making operations unprofitable, and a desire to conserve the company's resources prompted the action, stated E. P. Earle, president of the company.

Sylvanite Gold Mines Pays Second Dividend

Sylvanite Gold Mines has announced its second dividend dedcleration of 2 cents per share, payable June 30, to shareholders of record May 29.

The first semi-annual dividend of a similar amount was paid on December 20. last. At that time it was announced that it was expected payments could be continued out of earnings under normal conditions, but that should discoveries of major importance require unusual development work, or unforeseen conditions arise, it might be necessary to discontinue them.

CANADIAN ENTERPRISES LIMITED
Developing Gold Properties
Keefer Bldg. — Montreal

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

S. A. Morrison & Co.
LIMITED
INVESTMENT SECURITIES BANKERS
Northern Ontario Bldg.
330 Bay St., Toronto 2

WE SPECIALIZE IN BRITISH COLUMBIA MINING STOCKS
Buying and Selling orders promptly executed on the exchange
THOS. STEELE & SON LIMITED
Stock and Bond Brokers
Main Floor, Rogers Bldg., Vancouver
Members Vancouver Stock Exchange

DOMINION TEXTILE CO., LIMITED
PRUE COTTONS
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N.B.

Consolidated Oka Sand & Gravel
Company Limited
BRICK MOULDING CORE SAND CONCRETE ASPHALT PLASTER
WASHED RIVER SAND
PIT SAND
Truck and Rail Deliveries
HEAD OFFICE:
248 McCord Street, MONTREAL, Que

Trust and Loan Booklet
JUST OFF THE PRESS

The Financial Post has just published a new survey of Trust and Loan company stocks in booklet form, showing the market record and yield of the various stocks—and an introduction that will help guide the investor in choosing the most desirable of the companies in which to put his money. This new booklet sells for 25c.

In a period of declining stock prices, such as the last, the average price of nine Trust and Loan stocks listed on the Toronto Stock Exchange was only 1.2 per cent below the level prevailing a year previously. In that same time, the average of eight bank stocks had declined 4.6 per cent, ten public utilities had declined 11 per cent and twenty important industrial stocks had declined an average of 21 per cent.

The earnings on capital of the companies reviewed in this booklet average 9.5 per cent—the average dividend paid is 6.7 per cent.

Learn of these fine stocks

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please enter my name for:
☐ .... copies of new Trust and Loan Booklet at 25c.
☐ The Financial Post—$5.00 a year (52 issues).

Name ....

Address 669

President Oakes on Lake Shore's Future—Page 18

Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XXIV 10c a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, JUNE 4, 1931 Member of Audit Bureau of Circulations No. 23

Canadian Mining News Department Page 18

The Nation's Business

The Budget
Higher Taxation as Substitute for Economy
Bennett Reverses Liberal Policy

MR. BENNETT'S SECOND BUDGET

MR. BENNETT'S budget contains all the new taxes that were expected and a great many more. It provides a full measure of tariff proposals for the development of Canadian economic life but emphasis is laid upon revenue rather than protective features. It cannot be said that Mr. Bennett has been false to pre-election pledges; he has implemented his promise of higher protection; he has made a beginning on a national fuel policy; he has reduced the income tax (although not by much) and he has continued to spend money with all the extravagance that characterized his platform promises. Therein lies the chief weakness of the budget; it sees only one way to meet a deficit in national revenue; namely, increased taxation. This year's estimates show a reduction of $37,000,000 but this saving may be drastically reduced when the supplementary estimates come down. On the other hand, new taxation is imposed that is estimated to bring in $94,000,000 of new revenue. Adding $94,000,000 to federal tax burdens at a time when business is seriously depressed will in itself offset much, if not all, of the stimulus provided to special interests by new protective proposals.

* * *

WHILE specific tariff changes apply only to about 200 items the budget effects, there is an increase in every item in the tariff through a special one per cent excise tax on imports. The changes in the tariff effected at the September, 1930, session were based upon the promise of manufacturers that they would not increase prices. But this week's changes must inevitably raise the general level of prices in Canada—both wholesale and retail prices. Business will be stimulated and likewise employment, but on the other hand the cost of living will be higher. In view of declining costs of commodities and services generally the increase in the cost of living may be easily absorbed and be scarcely noticeable. It will bear most heavily on primary producers but to several classes of these—wheat growers and coal miners notably—special relief is to be afforded.

Mr. Bennett abandons the Liberal policy of aiding primary and export producers through lowering their cost of production. He increases their costs—in order to benefit industry—and gives them offsetting privileges of another character. It is a vast scheme of taxing those who are making profits under Canada's economic and fiscal systems in order to bonus those who temporarily are not. It is an experiment in the national laboratory where for sixty-five years we have been trying to make one well integrated nation in the face of serious geographical barriers.

* * *

THE new tariff increases will affect chiefly our imports from the United States. Their effect will, in many cases, not be fully noted until business generally is brisker. They show the trend that may be expected in Mr. Bennett's tariff policy—absolute protection and, in many cases, a virtual embargo. The tax on magazines is a case in point. This will seriously embarrass American publishers but it will embarrass Canadian news dealers even more. It may cause some American publishers to have part of their printing done in Canadian plants which would create a small measure of employment in these plants and in Canadian paper mills. It may help Canadian magazines to some extent but probably not enough to offset the increased burden put upon them through higher costs. It is a tax that will affect many people. But the prime minister undoubtedly sees a genuine menace to Canadian industry in this overflow of American advertising. His new tax may be regarded more as assistance to Canadian manufacturers than to Canadian publishers.

* * *

FIFTEEN cents a pound on imported magazines should, as just stated, benefit Canadian manufacturers. Many United States manufacturers have advertised in United States magazines with little or no thought of the Canadian market. These magazines have had a circulation in Canada amounting to probably five or 10 per cent of their total circulation. The overflow of circulation in Canada has been the means of creating considerable volume of business from Canadian buyers.

Canadian manufacturers have been unable to meet these firms on an equal footing as it was impossible for them to advertise in magazines with 90 per cent or more of their circulation in a territory from which they were excluded by high tariff.

There seems to be a general conception that the tax on magazines was imposed at the request of Canadian publishers. This is not the case. The advantages to the Canadian publisher are somewhat problematical. The magazine publisher in Canada has to pay about 35 per cent higher price for paper, ink, engravings, etc., than does his United States competitor. Payments for special articles and illustrations must be absorbed by a circulation of one-tenth or one-fifteenth of United States competitors. The Canadian publisher has been struggling with the problem of getting costs down to a basis that would enable him to quote a reasonable and acceptable advertising rate. Last fall the tariff

(Continued on page 2, col. 4)

BRANT CORDAGE PRESENT YIELD 12½ PER CENT

See No Immediate Threat to First Preferred Dividend

CURRENT ASSETS HIGH

Substantial Proportion of Shares Bought By Company For Cancellation in Five Years

First preferred stock of Brantford Cordage Co. has been attracting some attention recently because it is selling to yield 12½ per cent annually. The stock is of $25 par value and from a high of 22½ in January has been gradually selling down until at present it is changing hands on the Toronto market at $16 per share.

So far as can be learned, there is no danger of the dividend being eliminated or reduced. On the basis of the number of shares outstanding as at August 30, 1930, the last report available, the annual dividend requirements is $139,556. At that date the company showed cash at $349,921.

Is Strong in Liquids

Current liabilities totalled only $41,208, and the ratio of current assets to current liabilities was better than 58 to 1. Receivables totalled $1,164,809, inventories at cost, not exceeding market value, at $863,801, and the total of current assets was $2,400,900.

The decline in the market value of the shares is probably due primarily to the conditions in Western Canada and the prospects at this time that the demand for binder twine, the company's only product, will be less than in normal years. The general conditions in the securities markets probably has made some holders nervous.

Dividend Paid Regularly

C. L. Messecar, the head of the company and its predecessor enterprises, died in March of this year and the loss of his services probably has been an unsettling factor in the minds of investors. He has been succeeded by his son, W. M. Messecar, and it is the belief of those familiar with the affairs of the company that the excellent management will continue.

The dividend has been paid regularly since the original offering of the stock in March, 1925. For the year ended August 31, 1927, there was a net loss of $149,968 and, after payment of dividends, the surplus was reduced by $304,596 for the year. In the following year, however, the company earned $1.84 on its first preferred, against the dividend requirement of $2. In 1929, the profit per share was $5.75 and in 1930 it was $4.88.

Operation of the sinking fund of 50 cents per share per year has steadily reduced the number of shares outstanding and provided a good market for the shares. The sinking fund would require annual purchase or redemption of 1,600 shares on the basis of par value, or 1,333 shares on the basis of the redemption price of $30. But in five years 10,222 shares were redeemed out of the original issue of 80,000 shares and it is understood that there have been further purchases since the issuance of the last report.

While the present market price of the first preferred shares is on a 12½ per cent yield basis, this is not the low price for the stock. In 1927 and again in 1928 this issue sold at 14. The present figure of 16 has prevailed for two or three weeks recently, although on May 19, 100 shares changed hands at 14.

Record is Successful

The stock never has sold at its redemption price of 30, but it was at 28 in 1925, 27½ in 1928 and 25 in 1927. In 1930 the high was 24 and in the present year it has sold at 22½. The drift downward has been fairly consistent since January.

The record of the company has been successful. Its earnings are dependent, to a large degree, on the size of the crops in Western Canada, and it has had to contend with com-

(Continued on page 2, col. 5)

New C.M.A. Officials Elected at Victoria

W. H. MINER W. C. COULTER GEO. HENDERSON

W. H. Miner, president and managing director of the Miner Rubber Co. and resident of Granby, P.Q., was elected president of the Canadian Manufacturers Association at its annual meeting held in Victoria this week. W. C. Coulter, president of the Coulter Brass Co., Toronto, was elected first vice-president and George Henderson, president and general manager of Brandram-Henderson of Montreal, was elected second vice-president.

Unfair Practices Charged to Banks By Bond Dealers

Claim Made Some Managers Steal Business from Bond Men

MAY AIR QUESTION

Experiences Uncovered in Recent Conversion Loan Cited as Evidence of Unethical Methods

Charges that the Canadian chartered banks are entering into unfair competition with investment bankers in the purchase and sale of high-grade bonds and that in many cases branch managers have been guilty of unethical practices in the sale of bonds are rife in investment circles. A feeling of nervousness due to bank activities in the investment banking field has been gradually growing for some time. It has been given impetus by the conditions which have existed in the bond market for the past year and as a result of the activities of the banks during the period for exchange of war bonds into the recent conversion loan has broken out in the form of actual resentment.

With ten chartered banks controlling the credit facilities of the country, on one side, and investment bankers, dependent upon credit for the successful operation of their business, on the other side the situation is such that no individual has been willing, to date, to take the lead in openly protesting against bank activity in the bond field.

The whole vexed problem, it is understood, may be aired at the forthcoming annual meeting of the Investment Bankers' Association. It is no secret that any discussion will be "in camera." Data on the subject is being collected for presentation, it is understood.

Investment bankers are not clear in their own minds as to what would be a proper limitation for the bond selling activities of the banks. But while they are willing to leave open for discussion the broad general question of bank activities in bond selling they are aroused by what they deem to be unfair practices indulged in by some bank managers. Charges are made that some managers have used their fiduciary positions in relation to their customers to steal business created by bond houses.

Ethics Are Questioned

Cases of alleged unethical practices on the part of branch managers are reported in considerable number. While varying in character, they are, in large part, based upon the ability of the branch manager to have access to confidential information regarding the financial position and the investments of not only his own clients or depositors but of many residents of the locality in which his branch is located. Such information, it is stated, has been used by many managers and accountants in diverse ways, all of which adversely affect the investment banking house and its agent.

For several weeks previous to the

(Continued on page 3, col. 4)

Squires Quotes Post as Authority

From Our Own Correspondent

MONTREAL.—Newfoundland's bond issue of $8,000,000 will be subscribed. This is the certain opinion expressed by Sir Richard Squires, Premier of Newfoundland, who is in Canada on a brief business trip. When shown a dispatch quoting Hon. F. C. Alderice, leader of the opposition, to the effect that people would not buy the bonds of Newfoundland as long as there was a lack of faith and confidence, Sir Richard issued the following official statement:

"My answer to this message is that the Newfoundland commercial agitation is political in character. For statement of fact as to Newfoundland's financial position and development, I would refer you to The Financial Post of Toronto, issued on Thursday, May 28."

STOCK MARKET IS HESITANT ABOUT BUDGET

Traders Need Further Study to Judge Full Effect on Companies

Canadian stock markets on June 1 and June 2 showed no effects of the new Dominion Government budget. As executives of various enterprises were slow in committing themselves to opinions as to how the new tariff provisions would affect their business, traders apparently have followed suit. As June 3 was the King's birthday there was no opportunity to show whether sentiment was affected by the budget or not. General brokerage opinion was that there are too many general resolutions, in addition to specific changes in duties, to permit of manufacturers and business men deciding off-hand as to what results are going to be.

Motor Car Makers Aided

Executives questioned by The Financial Post, while expressing for the most part a feeling that most of the new protective features will be helpful to Canadian industry, also desired more time to study the budget. Greater protection for motor car part manufacturers aroused great interst, and in general, it was expected that this would be of value to present manufacturers of motor car parts and stimulate plans of United States firms to locate branches in Canada. Motor car manufacturers were as a rule enthusiastic about the embargo on United States and foreign used cars and the higher protection afforded against the more expensive types of motor cars. Packers and container manufacturers already have been enjoying increased protection since last September on their products and they have not yet been able to judge the full effect of the additional duties against containers carrying foreign goods. One reason for the delay in arriving at an opinion is that the higher sales tax and corporation tax, while expected, means higher direct payments whose effect is somewhat sobering.

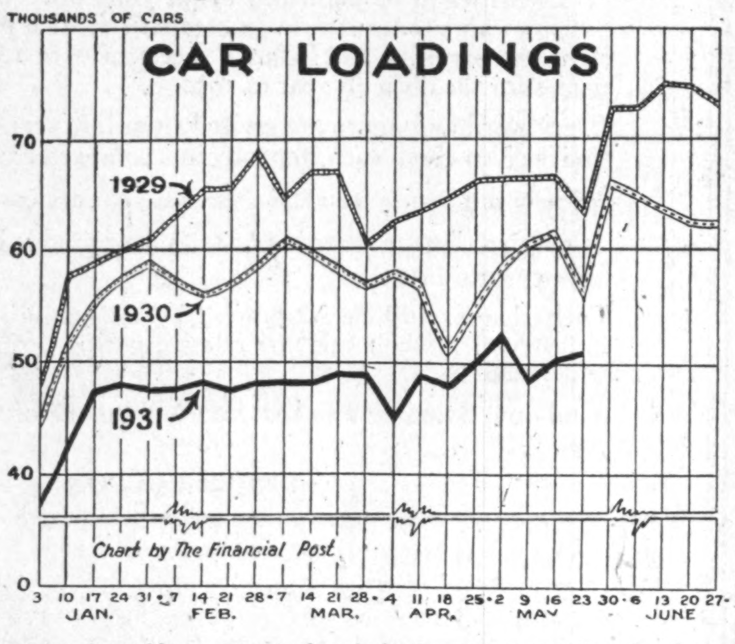
Helps Page-Hersey Tubes

Special consideration with respect to lower duties on Bessemer steel billets will be of aid to Page-Hersey Tubes and lower duties on certain types of pipes and tubes will not affect the company while probably leading to lower costs for companies which are large users. Dominion Foundries & Steel will be aided by the new tariff. Canadian Steel Corp. at Ojibway, subsidiary of United States Steel Corp., however, indicated through an official that reduction on steel billets might prevent blast furnaces there being put in operation. He also said that the wire mill might be affected by reduction of duty on stel wire unless duty on steel rods was also affected. Roofing companies and building material companies such as Gypsum, Lime & Alabastine and Building Products will be assisted by the new duties.

The Algoma Steel Corp. may be affected by the reduction in the duty on Bessemer steel billets to an extent not yet estimated by officials. That company is not interested in steel plate, wire netting, green saw steel,

(Continued on page 3, col. 1)

Carloadings Reflect Slow Business Movement



Although weekly movement of grain in the western provinces has been almost without exception ahead of corresponding figures for 1930, increased carloadings from this source (amounting to 18 per cent for the year to date) have been more than offset by declines in every other type of merchandise handled by Canadian railways. Current weekly figures of all carloadings are running from 11 to 18 per cent behind 1930, with the cumulative total to date 16.5 per cent behind last year. Total loadings for the year to date are over 24 per cent behind 1929. The graph shows the trend of carloadings of revenue freight on Canadian railways during the first half of the last three years.

DANGER EXISTS FARMERS MAY NOT GET BONUS

Bennett's Freight Subsidy Not Assured of Success

MAY REACT ABROAD

If Big Customers Call It Dumping, They May Take Retaliatory Action to Curb Good Effect

From Our Own Correspondent

OTTAWA.—Inquiries at the Prime Minister's office Wednesday disclosed the fact that the wheat subvention policy announced in the budget has still to be translated into legislation. Beyond deciding that western farmers are to be bonused to the extent of five cents per bushel on export wheat, Mr. Bennett has not come to grips with the administrative features of the policy.

Conversation with cabinet ministers from the west, however, clarifies one or two points in regard to this policy. The proposal is confined, for the moment, to export wheat, because the Government hopes that it can minimize the cost to the treasury, and at the same time raise the price of all wheat marketed from the prairies by the full amount of the subvention. If it is found impossible to do this, the subvention will be paid upon all wheat shipped by farmers.

Applies to Prairies Only

The policy is to apply only to wheat shipped from points between Fort William and the Pacific coast, and will not operate in other sections of the Dominion.

The common impression here is that when Mr. Bennett gets down to the business of administering the policy and drafting the legislation, he will find it difficult if not impossible to differentiate between domestic and export sales of wheat, and will make his policy apply to both. If this is done the probable solution of the administration problem would be to instruct the railway companies to reduce their freight rates on wheat by five cents per bushel in this territory. At the close of each fiscal year, the railways would present a bill to the Government declaring they had carried a given quantity of wheat, and would receive five cents per bushel.

There has been little reaction as yet in Western Canada to the announced policy, but complaints are coming in from milling companies who, apparently, are under the impression that they will be penalized to the extent of five cents per bushel on their export trade. There is no reason to believe that these fears are well grounded.

From Our Own Correspondent

WINNIPEG.—Two dangers are involved in Premier Bennett's proposal for a bonus on export wheat. One is that the money paid out by the Government will not in fact reach the farmer for whose benefit it is intended; the other is that an export bounty may have some adverse influence against attempts to recover the market for Canadian wheat and that other countries, either importers or competitive sellers, may be moved to retaliation against what they may interpret to be dumping.

It is quite possible for an export bonus on a commodity to be reflected in a lower price to the consumer instead of in a higher price to the producer or again in greater earnings for ocean carriers. The same thing applies to reductions in transportation charges. If the new plan is applied by way of a reduction in freight rates on all wheat shipped to Port Arthur or Fort William and to Vancouver on an export rate, the benefit may be reflected directly in the price received by the farmer. Prices prevailing at Vancouver or at the head of the lakes should remain largely unaffected and prices paid to farmers at interior points should be greater by the amount of the bonus. In that case, the Government's payments would not be direct, either to farmers or to handlers of grain, but to the railways to make up for the reduction in rates.

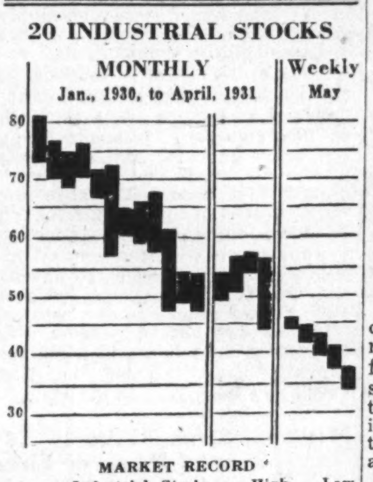
Milling-in-Transit

Due care will have to be taken to protect the milling in transit privi-

(Continued on page 3, col. 3)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of June 2	38.2	34.1
Week of May 26	40.9	37.5
Month of May, 1930	74.5	66.4
8 Bank Stocks		
Week of June 2	224	219
Week of May 26	232	224
Month of May, 1930	264	258
10 Public Utilities		
Week of June 2	68	63
Week of May 26	71	67
Month of May, 1930	101	94

Canada Power and Paper Reorganization is Sweeping; Old Capital Reduced by Half

Belgo Preferred Fares Best Under Reorganization Plan

From Our Own Correspondent

MONTREAL.—In order that holders of the securities of Canada Power and Paper and subsidiary companies may determine readily the amount of bonds and common stock allocated to their respective organization under the new plan, the following compilation has been prepared by The Financial Post. It will be seen that Port Alfred gets the largest share, followed by St. Maurice, Belgo, Canada Power, Anticosti, and Wayagamack, in the order named.

The manner in which these distributions are arrived at is shown in the leading tables. The main table gives the presently outstanding capitalization of the different units and the securities offered in exchange under the plan. Further it will be noted that all preferred stocks and debentures are to be exchanged for common stock, while the holders of the bonds receive new mortgage bonds, together with common stock in lieu of interest for the next five years.

BONDHOLDERS

For Each $100 Face Value Bond Held	Receive New Bonds Face Value	New Common
Belgo-Canadian Paper Co.	$125	1
Wayagamack Pulp & Paper	125	1
Port Alfred Pulp & Paper	100	1
St. Maurice Valley Corp.	100	1
Anticosti Corp.	100	1
Canada Power & Paper Debentures (All Series)	15	1½

PREFERRED STOCKHOLDERS

For Each $100 Face Value Preferred Stock Held	Receive New Common Stock
Belgo-Canadian Paper Co.	3
Port Alfred Pulp & Paper	1
St. Maurice Valley Paper	1½
Anticosti Corp.	1½

COMMON STOCKHOLDERS

For Each Share Held	Receive New Common Stock
Canada Power & Paper	1/10

DISTRIBUTION OF NEW SECURITIES

	Old Security Face Value	New Securities Bonds	New Securities Common Shares
Belgo-Canadian Paper Co.—			
Bonds—6%	$ 8,240,500	$10,300,625	$ 82,405
Preferred—7% cum.	5,000,000	....	150,000
Wayagamack Pulp & Paper—			
Bonds—6%	3,527,600	4,409,500	35,276
Wayagamack News—			
Guar. Debentures—5%	1,590,914	unchanged	
Port Alfred Pulp & Paper—			
Bonds—5%	14,999,667	14,999,667	149,996
Preferred—7% cum.	6,000,000	....	90,000
St. Maurice Valley Corp.—			
Bonds—6%	8,836,225	10,836,225	108,362
Bonds—5½%	2,000,000		
Preferred—7% cum.	10,000,000	....	150,000
Anticosti Corp.—			
Bonds—6%	5,192,500	5,192,500	51,925
Preferred—7% cum.	3,000,000	....	45,000
Canada Power & Paper—			
Laurentide Deb.—5½%	28,800,000	5,320,005	532,000
Wayagamack Deb.—5½%	6,666,700		
Common, no par value	1,521,750	....	152,175
Total	$103,832,266	$51,058,522*	$1,547,137

*Does not include Wayagamack News, $1,590,914; and Ha Ha Bay Co., $137,300. (See under "capital" in general review).

No Fixed Charges for Period of Five Years

ANGLO-CANADIAN OUT

Plan Covers Conversion Preferred Stocks and Debentures Into Common Shares

From Our Own Correspondent

MONTREAL.—Securities Protective Committee of Canada Power & Paper Corp. announces a plan of reorganization for that company, the principal features of which follow:

Formation of a new company;

Two classes of security to be issued—a 30-year 5½ per cent first mortgage bonds, bearing fixed interest after five years and no par value common stock;

Cutting present capitalization (bonds, debentures and preferred stock) from $103,832,266 to $52,627,596;

Replacing first mortgage bonds of subsidiary companies by a new bond, with common stock compensation for loss of interest;

Conversion of all subsidiary companies' preferred stock and Canada Power & Paper debentures into new no par value common stock;

Canada Power & Paper common stock exchanged on basis of 10 shares for one new no par value share of common stock;

Elimination of fixed charges for a period of five years;

Anglo-Canadian Pulp & Paper is not in new set-up, as new company did not care to assume guarantees;

Abolishing guarantees existing between subsidiary companies;

Providing for adequate banking accommodation and working capital.

Committee will nominate a majority of new board to serve for a period of five years.

No new money is being asked for.

It has been obvious to those who have followed the fortunes of Canada Power & Paper Co. over the past two or three years that a radical reorganization of capital structure would be necessary in order to place the company on a sound financial and competitive basis.

As a result of the absorption of various manufacturing units, the capital structure became unwieldy and the fixed charges a burden which threatened to jeopardize the whole undertaking.

Danger of Bankruptcy

The state of over-production as existing within the industry and the decline in the value of newsprint, brought the company to a point where it was in danger of being forced into bankruptcy.

Through the instrumentality of investment bankers interested in sponsoring the securities of the subsidiary companies, a Securities Protective Committee was formed early in the year to the end of working out a reorganization plan.

Two Classes of Security

The plan calls for a new company. The authorized capital of the new company will consist of $100,000,000 first mortgage bonds, including first mortgage sterling debenture stock, and of 2,000,000 shares without par value.

Of the bonds, $65,000,000 will be authorized for immediate issue as 30-year 5½ per cent bonds and sterling debenture stock which will be on an income basis for five years and will bear fixed interest thereafter.

Capitals are Compared

The issued capitalization of the new company on the carrying out of

(Continued on page 2, col. 5)

DOMINION MOTOR DEAL WITH NASH YET IN ABEYANCE

Seasonal Decline in Sales in Industry Cools Enthusiasm

The new budget, affecting as it does the duties on automobiles in the higher price range, may result in an arrangement whereby Dominion Motors (formerly Durant) plant at Leaside (Toronto) will manufacture Nash cars as well as the Durant and Rugby trucks.

For the moment, however, negotiations are suspended until the effects of the budget can be determined, both from the point of view of the protection afforded on the completed car and the possible higher cost of some parts, due to the greater protection given to parts makers in Canada.

Will Be Price Increase

There will be a slight increase in the prices of automobiles, it is expected, owing to the sales tax and, possibly, to the differences in drawbacks on parts imported for assembly in Canadian factories. This is the opinion of officials of Dominion Motors, although all of the motor companies are awaiting the official documents before determining what line of action will be necessary.

Three months ago it was announced that arrangements had been made whereby Nash cars would be manufactured in the Durant plant. The deal was held up, however, due to litigation between Durant of Canada and Durant Motors of Delaware. When the injunction proceedings were withdrawn, the Nash interests decided to wait until the budget was brought down in order to determine exactly what would be the effect on importations of automobiles.

Meanwhile, the automobile industry has reached the season of the year when sales normally show a downward trend and, in view of the business depression, there is a question if sales will improve in the later months of the year. In the circumstances, it is intimated that the Nash interests are not now so enthusiastic about making an arrangement for immediate manufacture in Canada.

Canadian Bronze Earnings Cover Dividend to Date

From Our Own Correspondent

MONTREAL.—Though continued slackness in railroad activity naturally finds a reflection in operations of Canadian Bronze Co. it is understood that the company has succeeded in earning its dividends to date. The situation surrounding the company is largely dependent on traffic conditions; any improvement in wheat movement this fall should find quick reflection in operations.

Last year Canadian Bronze succeeded in earning its common dividend by a margin of 37 cents a share. Per share earnings, after all deductions, were $2.87 as compared with the current dividend of $2.50.

During 1930, however, $125,000 of preferred stock was redeemed leaving $720,000 outstanding; dividend needs on these shares will be proportionately lower this year. The common stock is currently traded around 21 at which price it yields 11 per cent. The preferred is quoted around 108.

No Dumping of Shares By Can. Life Companies

If important corporations on this continent whose shares are held by Canadian insurance companies, are forced to pass dividends either now or in the future, there will be no dumping of insurance holdings of such shares on the market by insurance companies in this country.

Once life insurance companies purchase stocks that are legal investments under the insurance act, the fact that dividends on such stocks are subsequently passed does not mean that these stocks must be sold. There is nothing in Canadian insurance law to compel life companies to take such action.

This question has been asked The Financial Post several times of late and although the answer affects only a few stocks at the present time, is an important one in view of the fact that many savings banks in the United States are forced by law to sell holdings of shares which cease to become legal investments.

Such forced sales have had an adverse affect on the stock market in recent months, it is said.

Under Canadian law, life insurance companies may invest their funds in the purchase of preferred shares of any company which has paid regular dividends on such shares or on its common shares for not less than five years preceding the purchase of such preferred stocks, and of common shares which have paid regular dividends of at least 4 per cent or $4 per share (no par value shares) for seven years preceding the purchase of such stocks.

The fact that the passing of dividends causes shares to drop from the list of legal investments for Canadian companies, does not affect present holdings of life companies.

Already this year some 25 Canadian companies have reduced their dividend payments and over 40 companies have passed their dividend payments entirely. However, of the latter group only one or two affect shares held by Canadian life insurance companies.

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Algoma Steel . . . 15
Anglo-Nfld. . . . 113
Assoc. Breweries . 8
Anglo-Norwegian . 8
Abitibi P & P . . 9
Acme Screw . . . 3
Assoc. Canners . . 3
Beauharnois . . . 4
Bell Telephone . . 4
Bathurst Pwr. . . 13
Burns 9
Belgo-Can. Paper 1
Brant. Cordage . . 1
Canada Trust . . 4
C. P. R. 4
Comm. Alcohols . 8
Can. Converters . 15
Can. Indemnity . 17
Can. Gen. Ins. . . 9
Can. Celanese . 4, 9
Can. Airways . . 13
Can. Gen. Invest. 13
Corporate Trust . 13
Canada Steamship 9
Canada Cement . 9
Can. Dredge . . . 9
Canada Paving . . 9
Can. Dutch Oils . 9
Ont. & West Shore 9
Can. Wireb'd Box 9
Can. Pwr. & Pap. 1
Can. Bronze . . . 1
Consol. Gas . . . 5
Can. Packers . . . 3
Canada Life . . . 1
Can. Canners . . 3
Consol. Industries 3
Dom. Motor . . . 1
Dominion Glass . 3
Dom. Steel & Coal 3
Dom. Foundries . . 2
Ford 9
Farm Vehicles . . 9
Frontenac Oil . . . 3
Fraser Co's. . . 9, 13
Ford 3, 9
Gypsum Lime . . 15
Gatineau Pwr. . . 4
Hayes Wheel . . . 3
Hudson's Bay Co. . 19
I. O. O. F. 12
Invest. Foundation 8
Int. Hydro-Elec. . 4
J. Morrow Screw . 3
Jamaica Pub. Ser. 11
Lake o' Woods . 4
Lord Nelson Htl. . 5
Marcus Loew's . . 13
Montreal Dairy . . 16
Montreal Pwr. . . 16
Mexico Power . . 5
Montreal Coke . . 3
N. E. Power . . . 5
Nat. Distilleries . 8
Nor. Can. Mtge. . 19
Page-Hersey . . . 1
Photo Engravers . 16
Power Corp. . . . 4
Quebec Power . . 2
Royal Templars . 12
Rogers-Majestic . 8
Rosedale Housing . 9
Shawinigan W & P 4
Seaman-Kent . . . 19
Stimson 12
St. Maur. Valley . 11
Sher.-Williams . . 5
United Towns . . 4
Wpg. Elec. . . 4, 13
Wabana 11

MINES AND OILS

Assoc. Oil 16
Bingo Gold 18
British-Dom. Oil . 19
Big Missouri . . . 18
Canusa Mining . . 18
Dalco Oil 19
East Crest 16
Hudson Bay . . . 11
Inter. Nickel . . . 18
Kirkland Hudson . 18
Lake Shore 18
Model Oils 3
Rubec Mines . . . 18
Sylvanite Gold . . 18
Sherrit-Gordon . . 11

QUOTATIONS

Bonds 14
Grain 14
Mines 16
Stocks 14

REGULAR DEPARTMENTS

Answers to Enquiries 9
Business 7
Banking 17
Editorial 6
Insurance 17
Mining 18
Pulp and Paper 13
Utilities, Transportation 4

SPECIAL FEATURES

Is the C.N.R. a Success? Article Two of a Series 13
How to Figure Your New Income Tax . . 11